

Company No. 4865549

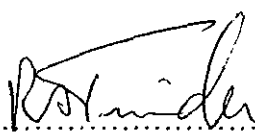
**THE COMPANIES ACTS 1985 – 1989**

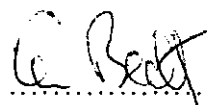
**NORTH CORNWALL POST & DIARY LIMITED**

WRITTEN RESOLUTION of the Members of the Company made pursuant to section 381A Companies Act 1985 and passed as a SPECIAL RESOLUTION:-

**SPECIAL RESOLUTION**

“that the New Articles of Association in the form attached to this Resolution and initialled by the Members for the purposes of identification BE AND ARE HEREBY adopted as the New Articles of Association of the Company in substitution for its existing Articles of Association.”

  
.....  
for and on behalf of  
TINDLE NEWSPAPERS LIMITED

  
.....  
for and on behalf of  
NORTHCLIFFE NEWSPAPERS GROUP LIMITED

Date 18 March 2004



THE COMPANIES ACTS 1985 TO 1989  
PRIVATE COMPANY LIMITED BY SHARES  
NEW ARTICLES OF ASSOCIATION OF  
NORTH CORNWALL POST & DIARY LIMITED  
(adopted by Special Resolution dated 18 March 2004)

PRELIMINARY

A10  
COMPANIES HOUSE

09/9  
08/04/04

1. (A) The Regulations contained in Table A of the Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter referred to as '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 following Articles shall be the regulations of the Company.

(B) Expressions defined in Regulation 1 of Table A shall where the context admits bear in these Articles the meaning so defined and in these articles:

"Affiliate" shall mean, in relation to any person ("A"), any person who is a connected person of A within the meaning of ICTA, section 839;

"control": shall bear the same meaning as in ICTA, section 840;

"Controlling Shareholder" means:

- (a) any shareholder of the Company which is from time to time the holder of or otherwise beneficially entitled to a majority in nominal value of the issued shares in the capital of the Company; or
- (b) any of two or more shareholders of the Company, each being Affiliates of the other or others, which are together from time to time the holders of or otherwise beneficially entitled to a majority in nominal value of the issued shares in the capital of the Company;

"holding company" has the meaning given by the Companies Act 1985, Section 736;

"ICTA" means the Income and Corporation Taxes Act 1988;

"Independent Third Party" in relation to a Controlling Shareholder means a person which neither has control of the Controlling Shareholder nor which is under the control of any person which has control of the Controlling Shareholder;

"Minority Shareholder" means all (if any) of the shareholders of the Company each of which is not a Controlling Shareholder;

"NNG" means Northcliffe Newspapers Group Limited (Company Number 272225) having its registered office at 31/32 John Street, London WC1A 2QB.

"PBT" means the profit before tax of the Company as stated in its audited accounts for the accounting period last ended before any TNL Sale ("the Relevant Accounts") (which shall be prepared in accordance with the accounting policies adopted by TNL in the preparation of its audited accounts from time to time or generally accepted accounting principles ("GAAP") where TNL's accounting policies differ from GAAP) before deduction of:

- management charges (save allowing for the proper open market cost of services bona fide provided to the Company for the purposes of its business);
- exceptional or one-off revenues or costs

"Prescribed Price" means the result of the formula  $(S/T) \times (PBT \times 10)$  where:

S is the aggregate nominal value of the shares to be transferred or valued for the purposes of these Articles

T is the aggregate nominal value of all issued shares in the capital of the Company;

Provided that the product  $(PBT \times 10)$  shall in any event be deemed to be not less than 50% of the turnover of the Company as stated in the Relevant Accounts.

If the Relevant Accounts do not for any reason reflect a full year's trading of the Company the profit before tax or turnover of the Company, as the case may be, shown by the Relevant Accounts shall, for the purpose of this Article, be adjusted (on a time apportioned basis) to reflect a full year's trading.

Any dispute or difference as to the Prescribed Price may be referred by any member concerned to an independent Chartered Accountant (the "Valuer") appointed by the members to the dispute or difference jointly or on the application of either of them by the President for the time being of the Institute of Chartered Accountants in England and Wales. The Valuer, after affording to each of the parties the opportunity to make representations, shall determine the Prescribed Price as an expert and the Valuer's determination shall be final and binding on the parties. The fees of the Valuer will be within his or her award but in the absence of any such award shall be met equally by the members in dispute

"Rateable Terms" in relation to any offer means an offer:

- (a) under which the consideration (in cash or otherwise) payable for each share is equal to that offered or paid or payable by the offeror for all other shares under the offer; and
- (b) under which any other consideration (in cash or otherwise) paid or payable by the offeror is paid or payable (as between all shareholders under the offer) in the same proportions as their shareholdings bear to each other; and

(c) which is open for immediate acceptance by the offerees (but disregarding any conditions as to minimum acceptances) for a period of not less than 14 days.

"Regulatory Consent" means any consent which may by law be required or reasonably be considered by any member party to any such transfer to be desirable in connection with any transfer of shares contemplated by these Articles.

"Tindle Family Member" means Sir Ray Tindle or any direct descendant of his grandparents, any spouse or former spouse of his or of any such descendant and any trust of which the principal beneficiaries comprise any such person or persons.

"TNL" means Tindle Newspapers Limited (Company Number 798870) having its registered office at 114/115 West Street, Farnham, Surrey GU9 7HL.

"TNL Sale" means any sale or other transaction of or in respect of any shares in any body corporate, by virtue of which the Company ceases to be ultimately controlled by one or more persons being a Tindle Family Member.

(C) Reference to any statute shall include reference to that statute as from time to time is amended or re-enacted.

## SHARES

2. (A) Subject to section 80 of the Act and to the following provisions of Article (B) below the shares comprised in the authorised share capital with which the Company has been incorporated shall be under the control of the Directors and the Directors shall have power to offer, allot, grant options over or otherwise dispose of any shares, to such persons, at such times and generally on such terms and in the manner as they think fit.

(B) (i) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to allot relevant securities (as defined in Section 80) provided that the aggregate nominal value of such securities allotted pursuant to this authority shall not exceed the sum of ten pounds.

(ii) The authority to allot relevant securities shall expire on the fifth anniversary of the date of incorporation of the Company. The authority hereby given may at any time (subject to the said Section 80) be renewed, varied or revoked by Ordinary resolution of the Company in General Meeting.

(iii) Any offer or agreement in respect of relevant securities, which is made prior to the expiration of such authority and in all other respects within the terms of such authority, shall be authorised to be made, notwithstanding that such an offer or agreement would or may require allotment of the relevant securities after the expiration of such authority, and accordingly, the Directors may at any time allot any relevant securities in pursuance of such an offer or agreement.

(iv) In accordance with Section 91(1) of the Act, Sections 89(1) and 90(1) to (6) (inclusive) shall not apply to any allotment of equity securities (as defined in Section 94 of the Act) by the Company.

(C) All shares 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. 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 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 for them than the terms on which they were offered to the Members. The foregoing provisions of this paragraph (C) shall have effect subject to Section 80 of the Act.

3. In regulation 8 of Table A the words "not being a fully paid share" shall be omitted. The Company shall have a first and paramount lien on all shares (whether or not it is a fully paid share), standing registered in the name of any person indebted or under liability to the Company, (whether he/she be the sole registered holder thereof or one of two or more joint holders) for all moneys presently payable by him/her or his/her estate to the Company. The liability of any member in default in respect of a call shall be increased by the addition of the words "and all expenses that may have been incurred by the Company by reason of such non-payment" at the end of the first sentence of Clause 18 in Table A.

4. Subject to the provisions of Part V of the Act

(A) The Company may purchase any of its own shares, provided that the terms of any contract under which the company will or may become entitled or obliged to purchase its own shares shall be authorised by a Special resolution of the Company in General Meeting before a contract is entered into.

(B) The Company shall be authorised, in respect of the redemption or purchase of any of its own shares, to give any such financial assistance, or to make any such payment out of capital as may be permissible in accordance with the Act, provided that any such assistance or payment shall first be authorised by a Special Resolution of the Company in General Meeting.

#### GENERAL MEETINGS AND RESOLUTIONS

5. (A) A notice convening a General Meeting must give information to Members in regard to their right to appoint proxies as stated under Section 372 (3) of the Act; and any notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to both Directors and 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 5(E) 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 a quorum is not present within half an hour from the time appointed for a General Meeting the Meeting shall stand adjourned to the same day in the next week

at the same time and location or to such other day, time and location as the Directors may determine; if a quorum is not present at the adjourned General Meeting within half an hour from the time appointed therefore such adjourned General meeting shall be dissolved.

(D) Regulations 40 and 41 in Table A shall not apply to the Company.

(E) If the Company has only one Member, that Member present in person or by proxy or (if that Member is a Corporation) a duly authorised representative shall be a quorum.

(F) On any resolution which proposes to amend the Articles of Association of the Company, the Minority Shareholder(s) shall for all purposes be deemed to have one more vote than shall be necessary to defeat any such resolution

6. (A) If the Company has only one Member and that Member makes a decision which is required to be taken in General Meeting or by a written resolution, that decision shall be as valid and effective 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. Any decisions shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

#### DIRECTORS

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

(B) Any shareholder holding 20% or more of the shares in the Company ("the Appointing Shareholder") shall be entitled to appoint a non-executive Director of the Company. In the event such party's shareholding falls below 20% of the issued share capital in the Company, the Director in question shall automatically cease to hold office. Any such appointment shall be made by written notice to the Company at its registered office. The appointed director may be removed or replaced by written notice of the Appointing Shareholder given in similar manner. The Appointing Shareholder shall, at any general meeting of the Company at which any resolution is proposed to remove its appointed director, have one more vote than is necessary to defeat any such resolution. Any Director appointed by virtue of this Article shall not be entitled to receive any emoluments or fees from the Company.

(C) Unless and until the Company in General Meeting shall otherwise determine, there shall be no limitation as to the number of Directors. Whensoever the minimum number of Directors shall be one, a sole Director may exercise all the powers and authorities vested in the Directors by Table A and by these Articles. Clause 89 in Table A shall be modified accordingly.

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

(E) (i) No person shall be appointed a Director at any General Meeting unless either he or she is recommended by the Directors or if not less than fourteen nor more than thirty-five clear days before the General meeting date, 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.

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

(iii) In Regulation 84 of Table A there shall be inserted in the third sentence after the words "shall terminate" the parenthesis (unless the terms of his appointment otherwise provides)

(F) In the case where as the result of the death of a sole Member of the Company whereon the Company has no Members and no Directors the personal representatives of the 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) above.

8. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject to Section 80 of the Act, 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.

9. A Director, or any such other person as is mentioned in regulation 65 of Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meetings or committees of the Directors to one vote for every Director whom he/she represents in addition to his/her own vote if any) as a Director, but in relation to determining a quorum he or she shall count as only one.

#### PROCEEDINGS OF DIRECTORS

10. Without prejudice to the first sentence of Regulation 88 in Table A, a meeting of the Directors or of a committee of the Directors may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others simultaneously.

11. A Director taking part in a conference as described in Article 10 above shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the person or the largest group of persons participating in the conference is assembled anywhere in England or Wales, or, if there is no such person or group of persons, where the chairman of the meeting then is. The word "meeting" in these articles shall be construed accordingly and a minute of a meeting conducted by conference as described in Article 10 signed by a director and who was present in England and Wales shall be conclusive as to the business transacted at the meeting.

#### GRATUITIES AND PENSIONS

12. The Directors may exercise the authority conferred by Clause 3(N) of the Memorandum of Association of the Company and are entitled to retain benefits received by them or any of them by reason of the exercise of such authority. Clause 87 in Table A shall not apply to the Company.

#### DIRECTORS INTERESTS

13 (a) A Director may vote as a Director on any resolutions concerning any contract or arrangement in which he or she has an interest or upon any matter arising thereout, and if the said Director shall vote on any such resolution as aforesaid his or her vote

shall be counted and the said Director shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration. Clause 94-98 (inclusive) of Table A shall not apply to the Company.

(b) Any contract or arrangement with any member of the Company or any Affiliate of such member which is not in the ordinary course of the Company's business and is of an amount or value of £10,000 or more shall require the prior unanimous approval of the Directors of the Company for the time being.

#### INDEMNITY

14. Subject to the provisions of Section 310 and in addition to such indemnity as is contained in Regulation 118 of Table A, every Director, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him or her in or about the execution and discharge of the duties of his or her office.

#### COMPANY SEAL

15. The obligation under Regulation 6 of Table A relating to the sealing of Share Certificates shall only apply if the Company has a seal.

#### TRANSFER OF SHARES

16. (a) Regulation 24 of Table A shall apply subject to the express provisions of this Article 16.

##### **(b) Transfer of Shares by a Controlling Shareholder**

(i) During any period in which there is both a Controlling Shareholder and a Minority Shareholder of the Company the Directors shall not register any transfer of any share or shares held by any Controlling Shareholder except in accordance with the express provisions of this sub-article (b);

(ii) Any Controlling Shareholder may transfer all or any of its shares to any Affiliate of the Controlling Shareholder and the Directors shall register such transfer;

(iii) Any Controlling Shareholder may with the consent in writing of all Minority Shareholders transfer all or any of its shares to any person and the Directors shall register such transfer;

(iv) Any Controlling Shareholders may transfer all (but not part) of their shares pursuant to a bona fide offer (the "Offer") made by an Independent Third Party and may require all Minority Shareholders to transfer all their shares in the Company to such Independent Third Party on Rateable Terms to the Offer and the Directors shall register such transfers provided that the following conditions are first satisfied namely:

(A) that, before accepting the Offer, each Controlling Shareholder has procured that an offer in the Rateable Terms to the Offer has been made to all Minority Shareholders and such offer has either expired or been completed within the relevant period; and



(B) that, before accepting the Offer, each Controlling Shareholder has offered to all Minority Shareholders to sell all of the Controlling Shareholders' shares on Rateable Terms to the Offer and such offer has expired or been completed within the relevant period or accepted within the relevant period subject only to any Regulatory Consent.

**(c) Transfer of Shares by a Minority Shareholder**

(i) During any period in which there is any Minority Shareholder of the Company the Directors shall not register any transfer of any share of shares held by any Minority Shareholder except in accordance with the express provisions of this sub-article (c);

(ii) Any Minority Shareholder may transfer all or any of its shares to any Affiliate of the Minority Shareholder and the Directors shall register such transfer;

(iii) Any Minority Shareholder may with the consent in writing of any Controlling Shareholder transfer all or any of its shares to any person and the Directors shall register such transfer;

(iv) Any Minority Shareholder proposing to transfer its shares shall procure that notice in writing (hereinafter called "the transfer notice") is given to the Company by the Minority Shareholders and all (if any) Affiliates of the Minority Shareholders who are the holders of shares (the "proposing transferors") that they desire to transfer all of their respective shares in the Company at such price (the "Specified Price") as is stated in the transfer notice. The transfer notice shall constitute the Company the agent of the proposing transferors for the sale of all (but not some of) the shares comprised in the transfer notice to any Member or Members (other than the proposing transferors) willing to purchase the same (hereinafter called "the purchasing Members") at the Specified Price.

(v) The shares comprised in any transfer notice shall be offered to the Members (other than the proposing transferors) as nearly as may be in proportion to the number of shares held by them respectively. Such offer shall be made by notice in writing (hereinafter called "the offer notice") within seven days after the receipt by the Company of the transfer notice. The offer notice shall state the Specified Price per share and shall limit the time in which the offer may be accepted, not being less than twenty-one days nor more than forty-two days after the date of the offer notice. For the purposes of this Article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company. The offer notice shall further invite each Member to state in his reply the number of additional shares (if any) in excess of his proportion which he desires to purchase and if all the Members do not accept the offer in respect of their respective proportions in full the shares not so accepted shall be used to satisfy the claims for additional shares as nearly as may be in proportion to the number of shares already held by them respectively, provided that no Member shall be obliged to take more shares than he shall have applied for, If any shares shall not be capable without fractions of being offered to the Members in proportion to their existing holdings, the same shall be offered to the Members, or some of them, in

such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Directors may think fit.

(vi) If purchasing Members shall be found for all the shares comprised in the transfer notice within the appropriate period specified in paragraph (v) above, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing (hereinafter called "the sale notice") to the proposing transferors specifying the purchasing Members and the proposing transferors shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing Members.

(vii) If in any case the proposing transferors after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on their behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing Members. The receipt of the Company for the purchase money shall be a good discharge to the purchasing Members. The Company shall pay the purchase money into a separate bank account.

(viii) If the Company shall not give a sale notice to the proposing transferors within the time specified in paragraph (iv) above, the proposing transferors shall, during the period of sixty days next following the expiry of the time so specified, be at liberty to transfer all or any of the shares comprised in the transfer notice to any person or persons at any price not less than the Specified Price.

(ix) If at any time the Directors become aware that any Minority Shareholder has ceased to be controlled by the body corporate having ultimate control of it at the time it became entitled to any shares in the Company they may within one month of becoming so aware give notice in writing ("requisition notice") to the Minority Shareholder requiring that it give a transfer notice under this sub-article (c) in relation to all of its shares but on the basis that "Specified Price" shall be substituted by "Prescribed Price" for all purposes of this sub-article (c) and that the offer notice to be made pursuant to sub-article 16 (c) (v) shall be given within 7 days of the agreement or determination of the Prescribed Price. If the Minority Shareholder neglects or fails to give such a transfer notice within 28 days after service of a requisition notice the Directors shall be entitled to give such a transfer notice on its behalf.

#### 17. TNL Sale

- (a) Within one month of any TNL Sale coming to the notice of any Minority Shareholder the Minority Shareholder or Minority Shareholders (jointly if there be more than one) may by written notice to the Controlling Shareholder require the Prescribed Price of both (i) the shares held by all Controlling Shareholders and (ii) the shares held by all Minority Shareholders to be agreed within one month of such notice and if the same shall not be agreed within that period for any reason any matters in dispute shall be referred for independent expert determination as contemplated by the definition of Prescribed Price in sub-article 1(B).
- (b) Within one month of the agreement or determination of the Prescribed Price the Minority Shareholder or Minority Shareholders (jointly if there be more than one) may by written notice either:-
  - (i) require any Controlling Shareholder to purchase all (but not part) of all Minority Shareholders' Shares at the Prescribed Price of such shares as so agreed or determined;

- ii) conditional only upon the obtaining of any Regulatory Consent require all Controlling Shareholders to sell to the Minority Shareholder or (if there be more than one) the Minority Shareholder nominated by all Minority Shareholders all (but not part) of all Controlling Shareholders' shares at the Prescribed Price of such shares as so agreed or determined.
- (c) . Any such sale shall be completed at the registered office of the Company within 14 days of the giving of any notice pursuant to article 17(b) or, if later, within 14 days of obtaining of Regulatory Consent
- (d). The terms of article 16(c)(vii) shall apply (*mutatis mutandis*) in the event of any failure of any member to complete such purchase or sale

18. **RESTRICTION**

The Company shall not enter into any transaction or series of transactions by virtue of which it disposes of or would dispose of all or a substantial part of its undertaking and assets without the prior sanction of a resolution passed at a duly convened meeting of the members of the Company and in respect of which all members of the Company voting on a show of hands shall have voted in favour or members of the Company entitled to 80% of the votes capable of being cast on a poll shall have voted in favour.

19. **INFORMATION**

Any Minority Shareholder or its professional advisers shall be entitled on reasonable notice to have access to the Company's financial and other records.