

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 125 ✓ OF 2002

IN THE MATTER OF THE COMPANIES LAW (2001 SECOND REVISION)

AND

IN THE MATTER OF THE GRAND COURT RULES (ORDER 102)

AND

IN THE MATTER OF GRANADA DECEMBER EIGHT LIMITED

PETITION

To The Grand Court

THE HUMBLE PETITION of the above named Granada December Eight Limited shows as follows:

1. Your Petitioner, the above-named company ("the Company"), is a private exempted company limited by shares and incorporated in the Cayman Islands under the Companies Law (2001 Revision). The Company is registered under number CR - 106635.

2. The registered office of the Company is situate at the offices of Huntlaw Corporate Services Limited, the Huntlaw Building, 75 Fort Street, PO Box 1350 GT, Georgetown, Grand Cayman, Cayman Islands.
3. The objects for which the Company is established are unrestricted and include, without limitation, to carry on the business of an investment company and for that purpose to hold, (inter alia) securities.
4. The Company was incorporated with an original share capital of One Billion and Three Hundred Million Pounds (£1,300,000,000) divided into 1,300,000,000 shares of £1.00 each, which has since remained unchanged.
5. The Articles of Association of the Company (“the Articles”) provide (inter alia) that the regulations contained in Table A to the First Schedule to the Companies Law shall not apply. Rather, the Articles appear in a bespoke form. They incorporate a provision, at Article 45 (b), to the following effect:

“An Ordinary Resolution or a Special Resolution (subject to the provisions of the Law) in writing signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representatives) including a resolution signed in counterpart by or on behalf of such Members or by way of signed telefax transmission, shall be as valid and

effective as if the same had been passed at a general meeting of the Company duly convened and held”

6. In their original form, the Articles do not contain a power to reduce capital. However, the Articles were amended by the passing of a Special Resolution, passed by way of unanimous written resolution of the sole shareholder, Granada December Nine Limited (“December Nine”), on 12th February 2002, in compliance with Article 45(b). The said resolution was passed in the following terms:

“RESOLVED as a Special Resolution that the following shall be inserted as Article 38A of the Articles of Association of the Company:

38A The Company may, by Special Resolution, reduce its share capital and any capital redemption reserve fund in any manner and with, and subject to, any incident authorised and consent required by law”

7. The assets of the Company are represented solely by the holding of the entire issued share capital of United Broadcasting Entertainment BV (“United”), being a company incorporated in The Netherlands and registered with the Chamber of Commerce of that country under file number 33263748. The Company carries on no business other than as a holding company of United.

8. The Company and December Nine have entered into an agreement between them dated 12th February 2002 (“the Agreement”), involving a reduction of share capital of the Company, the purpose of which is to simplify the current group structure by means of the transfer of the Company's shares in the capital of United to December Nine (subject to the proposed reduction of capital becoming effective). The Company will, therefore, cease to carry on any business subsequent to the proposed disposal, so that its paid-up share capital will be in excess of its foreseeable needs.

9. To facilitate the restructuring described at paragraph 8 above, the following steps have been taken by the Company:
 - (1) By a board resolution of the Company passed at a meeting held on 12th February 2002, it was resolved that it was in the best interests of the Company to transfer to December Nine the Company's entire issued share capital of United as part of the terms of the proposed reduction of capital set out in paragraph 9(2) of this Petition. Accordingly, the Board resolved that the Company should enter into the Agreement, whereby the Company would transfer to December Nine its interest in the entire issued share capital of the United, in consideration of which December Nine would consent, as sole shareholder of the Company, to the proposed

reduction of capital. Such consent was given under and subject to the terms of the Agreement.

- (2) By a Special Resolution, passed by way of a unanimous written resolution of the sole shareholder, December Nine, dated 12th February 2002 and passed in accordance with Article 45(b) of the Articles and section 14 of the Companies Law (2001 Second Revision), it was resolved as follows:

“RESOLVED as a Special Resolution that the share capital of the Company be reduced from £1,300,000,000 divided into 1,300,000,000 shares of £1 each to £2 divided into 2 shares of £1 each and that such reduction be effected by cancelling and extinguishing 1,299,999,998 shares of £1 in the Company (1,250,000,000 of the shares to be cancelled being registered in the name of Granada December Nine Ltd, the sole shareholder of the Company, and the remainder being unissued)”.

10. The proposed reduction of issued share capital described at paragraph 9(2) of this Petition does not involve either the diminution of any liability in respect of unpaid capital, nor the payment to any shareholder of any paid-up capital.

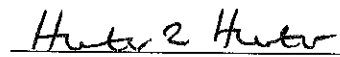
11. The form of minute proposed to be registered is as follows:

“The capital of Granada December Eight was by virtue of a Special Resolution and with the sanction of an Order of the Grand Court of the Cayman Islands dated [] reduced from £1,300,000,000 divided into 1,300,000,000 shares of £1 each to £2 divided into 2 shares of £1 each. At the date of the registration of this Minute, all of the said shares have been issued and are deemed to be fully paid up.”

12. Your Petitioner, the Company, therefore humbly prays as follows:

- (1) that the reduction of the capital of the Company proposed to be effected by the Special Resolution set forth in paragraph 9(2) of this Petition may be confirmed and that the above mentioned Minute may be approved by the Court;
- (2) that to this end, all necessary directions and enquiries may be made and given;
- (3) or that such other Order may be made in the premises as the Court shall consider appropriate.

AND your petitioner will ever pray.


Hunter & Hunter

Note: It is not intended to serve this Petition on any person.

This Petition having been presented to the Court on

will be heard by the Grand Court of the Cayman Islands on

Date: 15 MARCH 2002

Time: 8:30 (or as soon thereafter as the Petitioner can be heard)

THIS PETITION was filed by Hunter & Hunter, Attorneys-at-Law for the Petitioner, whose address for service is 75 Fort Street, PO Box 190 GT, George Town, Grand Cayman, Cayman Islands.