

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document and/or the action you should take, you are recommended to consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, immediately.

If you have sold or otherwise transferred all your holding of Ordinary Shares you should immediately forward this document, including the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred some only of your holding of Ordinary Shares you should contact the bank, stockbroker or other agent through whom the sale or transfer was effected.

The Directors, whose names appear on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of each of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts, and this document makes no omission likely to affect the import of such information.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company, which contains a unanimous recommendation from the Independent Directors that you vote in favour of the Resolution to be proposed at the General Meeting.

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# **APACE MEDIA PLC**

*(Incorporated and registered in England and Wales  
under the Companies Acts 1985 and 2006 with registered number 03848181 and  
registered with the Luxembourg Trade and Companies Register, Section B under No: 14733)*

## **Proposed cancellation of trading on AIM**

**and**

## **Notice of General Meeting**

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Notice of a General Meeting of Apace Media plc, which is to be held at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN on Friday, 5 March 2010 at midday, is set out on page 11 of this document. Whether or not you intend to attend the General Meeting you are encouraged to complete and return the attached Form of Proxy as soon as possible and, in any event, so as to be received by the Company's registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham BR3 4TU, United Kingdom by midday on Wednesday, 3 March 2010.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute violation of the securities laws of any such jurisdiction.

This document contains forward-looking statements with respect to the Company and the proposals set out in this document. These statements involve known and unknown risks and uncertainties as they relate to and depend on circumstances that occur in the future. Actual results may differ materially from those expressed in the forward-looking statements. None of the financial information contained in this document has been audited.

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## PART 1

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Despatch of this document, the Notice of General Meeting and the Form of Proxy:	15 February 2010
Latest time and date for receipt of Forms of Proxy:	Midday on 3 March 2010
General Meeting:	Midday on 5 March 2010
Last day of dealings of Ordinary Shares on AIM and in CREST:	15 March 2010
Cancellation of admission to trading on AIM:	7.00 a.m. on 16 March 2010
Expected despatch of share certificates (if applicable):	23 March 2010

*All of the times referred to in this document refer to London time.*

*Dates set against events that are expected to occur after the expected date of the General Meeting assume that the General Meeting is not adjourned and that the Resolution is passed at the General Meeting.*

*All of these times and dates are subject to change at the Company's discretion. In the event of any change, the revised times and dates will be notified to Shareholders by an announcement through a Regulatory Information Service (as defined in the AIM Rules).*

## PART 2

### LETTER FROM THE CHAIRMAN

# APACE MEDIA PLC

*(Incorporated and registered in England and Wales under the Companies Acts 1985 and 2006 with registered number 03848181 and registered with the Luxembourg Trade and Companies Register, Section B under No: 147338).*

*Effective place of management and business:  
6C, Parc d'Activités Syrdall, L-5365, Munsbach, Grand-Duchy of Luxembourg.*

*Directors:*

Robert Burke  
Didier Stoessel  
Martin Johnston  
Charles Thompson  
William Vanderfelt  
Francesco Abbruzzese

*Registered Office:*

LG3, Shepherds Central  
Charecroft Way  
London  
W14 0EH  
United Kingdom

15 February 2010

Dear Shareholder

**Proposed cancellation of trading on AIM  
and  
Notice of General Meeting**

#### **1. Introduction**

The Company has today announced that it intends to seek Shareholders' approval to cancel admission of its Ordinary Shares to trading on AIM.

The purpose of this letter is to set out the background to and reasons for the Cancellation and to explain why the Independent Directors believe Cancellation to be in the best interests of the Company and its Shareholders as a whole, and, further, to seek your approval for the Cancellation at the General Meeting. Your attention is drawn to paragraph 10 below which contains a unanimous recommendation from the Independent Directors that you vote in favour of the Cancellation.

#### **2. Background to the Cancellation**

The principal reasons for the admission of the Ordinary Shares to trading on AIM have been (amongst other things) to provide the Company with the ability to access capital in order to fund its strategy and to use its Ordinary Shares for acquisitions. Having recently undertaken a review of both the advantages and disadvantages of maintaining admission of the Ordinary Shares to trading on AIM, the Independent Directors have concluded that the admission should be cancelled. In reaching this conclusion, the Independent Directors have taken the following factors into account:

- in the Independent Directors' opinion, the trading price of the Ordinary Shares on AIM does not reflect the true asset value of Apace and its businesses;
- given the overall market conditions for small listed companies, the Independent Directors are of the opinion that it is (and will continue to be) difficult for the Company to attract meaningful equity investment through its listing on AIM;
- the AIM listing of the Ordinary Shares does not, in itself, offer investors the opportunity to trade in meaningful volumes or with frequency within an active market. With little trading volume, the Company's share price can move up or down significantly following trades of small numbers of shares; and

- the Independent Directors estimate that annual direct and indirect costs of the Ordinary Shares' AIM listing are at least £125,000. This estimate includes listing expenses and advisory, legal and audit fees but excludes any costs associated with the considerable amount of senior executive time which is also spent dealing with the issues related to the AIM listing.

Pursuant to AIM Rule 41, cancellation of the admission of the Ordinary Shares to trading on AIM requires the consent of not less than 75 per cent. of votes cast by Shareholders (in person or by proxy) given in a general meeting.

The Company has notified the London Stock Exchange of the proposed Cancellation. In the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 15 March 2010 and that the effective date of the Cancellation will be 16 March 2010.

### **3. Current trading**

#### ***UK Content***

The Company's UK television production businesses in 2009 performed well in a very difficult commissioning environment. Forward visibility into 2010 is uncertain as broadcasters continue to be cautious in the aftermath of the economic downturn of the previous 18 months.

Steadfast Television Limited and Steadfast International Limited, the factual television production and distribution companies, turned in combined unaudited revenues of £7.3 million (2008: £7.1 million) from better than expected international sales and the strength of returning series.

Pro-Active Projects Limited's sports production business had a good year with unaudited revenues of £2.1 million (2008: £1.8 million) from the production and distribution of sports events and programmes in rugby, sailing, power boating, mountain biking and air sports.

Apace Music Limited, the Group's CD label, has been put into creditors' voluntary liquidation. The Group will continue to exploit its music publishing catalogue and library of TV production music through Apace Rights Limited.

The Directors are considering the Group's options in respect of its factual television production and distribution businesses and are considering all alternatives, including the possible disposal of these businesses to a third party. The Directors' current considerations may or may not lead to a transaction. Shareholders will be kept informed of any material developments.

#### ***Eastern European Broadcasting***

From 5 August 2009, the Company's five per cent. share of Nova Televizija EAD (Bulgaria) ("TV Nova") has been held as a non-consolidated equity shareholding. Shareholders are referred to the website of our partner Modern Times Group ("MTG") ([www.mtg.se](http://www.mtg.se)) to review the results and commentary of TV Nova, including the recent impairment of goodwill, which indicates MTG's current carrying value of that business. A shareholder agreement exists between the Company and MTG allowing minority protection to Apace and providing for staged disposal of Apace's shareholding to MTG.

#### ***Liquidity***

The Group had approximately £2.1 million of net cash at 31 December 2009 (2008: £0.25 million).

The Company owns 1.77 per cent. of the issued ordinary capital of Catalyst Media Group plc ("CMG"). On 1 February 2010, CMG announced a strategic review which may lead to the sale of CMG. Since this announcement, the share price of CMG has significantly increased, valuing the Company's holding at 12 February 2010 at £447,000. There is no certainty regarding the liquidity of this asset.

### ***Litigation***

As stated in the annual report for the year ended 31 December 2008, the Company is a defendant in civil proceedings issued in the Tirana District Court in the Republic of Albania by certain ex-shareholders in Television Arberia, claiming damages of €1.1 million for breach of contract, plus interest. This claim has been upheld at first instance, but will be appealed by the Company, which has also filed counter proceedings against the two plaintiffs.

### ***2009 Performance***

The Directors expect the profit before taxation for the Group for the year ended 31 December 2009, before allowing for the effect of any possible disposal as mentioned above and before any possible impairment of the Group's music assets, to be not less than £200,000 (2008: loss £3.05 million).

### **4. Strategy following the Cancellation**

The Directors intend to continue to seek to maximize the value of the Company's assets in Bulgaria and in the UK. The Directors continue to believe that the Company's UK television production and music businesses lack scale and could be valuable components to larger concerns and the Directors are considering the Group's options in respect of these businesses.

However, the Company's investment in TV Nova has resulted in a permanent management presence in Bulgaria, banking relationships, access to potential deal-flow and the potential to co-operate with co-investors. The Directors also consider that Apace is in a position to take advantage of depressed valuations in Eastern Europe.

The Directors intend that the Company should continue to investigate opportunities for investment in businesses in Eastern Europe or, if attractive opportunities do not occur, following a disposal of all of its investments and trading assets, to return capital to its Shareholders.

If the Cancellation does not become effective, any disposal by the Company of all or substantially all of its trading business, activities or assets will, under the AIM Rules, require the consent of Shareholders in general meeting and result in the Company being treated as an investing company for the purposes of the AIM Rules. In such circumstances the Company will be required to have an investing policy that has been approved by Shareholders. However, if the Cancellation becomes effective, the requirements of the AIM Rules will not apply to the Company.

### **5. Principal effects of the Cancellation**

The principal effects of the Cancellation will include (amongst others):

- (a) there will be no public stock market on which Shareholders can trade their Ordinary Shares and, further, no other trading facility (other than the Third Party Facility referred to in paragraph 6 below) will be available to enable trading of the Ordinary Shares. Consequently, following Cancellation, there can be no guarantee that a Shareholder will be able to purchase or sell any Ordinary Shares;
- (b) no price will be publicly quoted for the Ordinary Shares;
- (c) although the Ordinary Shares will remain transferable they will cease to be transferable through CREST. Instead, Shareholders who hold shares in uncertificated form prior to Cancellation, will receive share certificates; and
- (d) the Company will not be subject to the AIM Rules and, accordingly, it will not (amongst other things) be required to retain a nominated adviser or to comply with the requirements of AIM in relation to annual accounts and half-yearly reports, the disclosure of price sensitive information or the disclosure of information on corporate transactions.

Shareholders should note that even if the Cancellation becomes effective, the Company will remain subject to the City Code on Takeovers and Mergers (the "Code") for a period of 10 years from the date of Cancellation. Accordingly, Shareholders will continue to receive the minority and other protections afforded by the Code in the event that an offer is made to Shareholders to acquire their Ordinary Shares.

The Code is issued and administered by the Takeover Panel. The Code and the Takeover Panel operate principally to ensure that shareholders of companies are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Code also provides an orderly framework within which takeovers are conducted.

As the Ordinary Shares are currently admitted to trading on AIM, the Company is not required to comply with the provisions of the Combined Code of Corporate Governance. Nevertheless, the Company seeks, within the practical confines of being a small company, to act in compliance with the principles of good governance and the code of best practice. Shareholders should note that following the Cancellation, the Directors intend that the Company should continue to seek to comply with these principles of good governance on the same basis as currently. It is therefore intended that (amongst other things) William Vanderfelt will continue to be the senior independent non-executive director of the Company. If the Cancellation becomes effective, this will not affect the Company's position as a public limited company for the purposes of the UK Companies Act 2006.

## **6. Transactions in the Ordinary Shares following the Cancellation**

In order to assist Shareholders who wish to trade in Ordinary Shares following the Cancellation, the Board currently intends to employ the services of a third-party matched bargain trading facility (the "**Third-Party Facility**") for at least one year. Under this Third-Party Facility, Shareholders or persons wishing to acquire Ordinary Shares will be able to leave an indication with the Third-Party Facility provider that they are prepared to buy or sell at an agreed price. In the event that the Third-Party Facility provider is able to match that order with an opposite sell or buy instruction, the Third-Party Facility provider will contact both parties and then effect the bargain. In these circumstances, Shareholders who do not have their own broker may need to register with any such Third-Party Facility provider as a new client. This can take some time to process and, therefore, Shareholders who consider they are likely to use this facility would be encouraged to commence registration at the earliest opportunity.

Once such arrangements have been set up by the Company, details will be made available to Shareholders on the Company's website ([www.apacegroup.co.uk](http://www.apacegroup.co.uk)).

Following Cancellation, transfers of Ordinary Shares may only be effected in accordance with those provisions of the Articles concerning off-market transfers of shares in certificated form. In summary, to effect a transfer of Ordinary Shares following Cancellation, once a proposed transferee has been found, a duly executed and stamped stock transfer form will need to be submitted (together with the relevant share certificate(s)) to the Company's secretary at the Company's registered office for registration.

**If Shareholders wish to buy or sell Ordinary Shares on AIM they must do so prior to the Cancellation becoming effective. As noted above, in the event that Shareholders approve the Cancellation, it is anticipated that the last day of dealings in the Ordinary Shares on AIM will be 15 March 2010 and that the effective date of the Cancellation will be 16 March 2010.**

## **7. Communications with Shareholders**

Following the Cancellation, there is no intention to change the constitution of the Board and the Directors' current intention is to continue to:

- (a) hold general meetings in accordance with applicable statutory requirements and the Articles;
- (b) send Shareholders copies of the Company's audited accounts in accordance with applicable statutory requirements and the Articles; and
- (c) post certain information relating to the Company, including details of any arrangements made to assist Shareholders to trade in Ordinary Shares, on its website ([www.apacegroup.co.uk](http://www.apacegroup.co.uk)).

## 8. General Meeting

The General Meeting is to be held at midday on 5 March 2010 for the purpose of seeking Shareholders' approval to the Resolution. Notice of the General Meeting is set out at the end of this document.

## 9. Action to be taken

A Form of Proxy is enclosed for use by Shareholders at the General Meeting. Whether or not Shareholders intend to be present at the General Meeting they are asked to complete, sign and return the Form of Proxy to the Company's Registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham BR3 4TU, as soon as possible but in any event so as to arrive no later than midday on 3 March 2010. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish to do so. Accordingly, whether or not Shareholders intend to attend the General Meeting in person they are urged to complete and return the Form of Proxy as soon as possible.

## 10. Independent Directors' recommendation

**The Independent Directors consider that the Resolution is in the best interests of the Company and its Shareholders as a whole and the Independent Directors unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting as they intend to do in respect of their own direct or indirect shareholdings representing, in aggregate, 5.07 per cent. of the issued Ordinary Share capital of the Company.**

Didier Stoessel, who beneficially holds, in aggregate, 66.38 per cent. of the issued Ordinary Share capital of the Company, has not participated in the Independent Directors' recommendation but intends to vote, or procure the vote of, such beneficial holdings in favour of the Resolution to be proposed at the General Meeting.

We look forward to seeing you at the meeting.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Robert Burke', written in a cursive style.

Robert Burke  
*Executive Chairman*



## PART 3

### DEFINITIONS

In this document, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

“AIM”	AIM, the market of that name operated by London Stock Exchange;
“AIM Rules”	the rules and guidance for companies whose shares are admitted to trading on AIM entitled “AIM Rules for Companies” published by London Stock Exchange, as amended from time to time;
“Articles”	the Company’s articles of association from time to time;
“Board” or “Directors”	the board of directors of the Company whose names are set out on page 4 of this document;
“Cancellation”	the proposed cancellation of admission of the Ordinary Shares to trading on AIM;
“Code”	the City Code on Takeovers and Mergers as amended from time to time;
“Company” or “Apacé”	Apacé Media plc;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended) operated by Euroclear UK & Ireland Limited in accordance with which securities may be held or transferred in uncertificated form;
“Form of Proxy”	the form of proxy enclosed with this document for use in connection with the General Meeting;
“General Meeting”	the general meeting of the Company convened for midday on 5 March 2010, notice of which is set out on page 11 of this document;
“Group”	the Company and its subsidiaries and subsidiary undertakings;
“Independent Directors”	the Directors, other than Didier Stoessel;
“London Stock Exchange”	London Stock Exchange plc;
“Notice of General Meeting”	the notice of the General Meeting which is set out on page 11 of this document;
“Ordinary Shares”	the fully paid ordinary shares in the capital of the Company which have a nominal value of £0.01 each, and “ <b>Ordinary Share</b> ” means any one of them;
“Resolution”	the Resolution set out in the Notice of General Meeting;
“Shareholders”	holders of Ordinary Shares;
“Takeover Panel”	the United Kingdom Panel on Takeovers and Mergers;
“Third Party Facility”	third-party matched bargain trading facility;

“£” or “pence”

the lawful currency of the United Kingdom; and

“€”

the lawful currency of the states of the European Union which are from time to time participating in the Economic and Monetary Union.



# APACE MEDIA PLC

(the "Company")

*(Incorporated and registered in England and Wales  
under the Companies Acts 1985 and 2006 with registered number 03848181 and  
registered with the Luxembourg Trade and Companies Register, Section B under No: 14733)*

*Effective place of management and business:  
6C, Parc d'Activités Syrdall, L-5365, Munsbach, Grand-Duchy of Luxembourg.*

## NOTICE OF GENERAL MEETING

**NOTICE is hereby given that a General Meeting of the Company will be held at the offices of Seymour Pierce Limited, 20 Old Bailey, London EC4M 7EN on Friday, 5 March 2010 at midday to consider and, if thought fit, pass the following resolution as a special resolution of the Company.**

### Special Resolution

THAT the admission of the Company's ordinary shares of £0.01 each to trading on AIM, a market operated by London Stock Exchange plc, be cancelled and that the directors of the Company be and are hereby authorised to take all steps which are necessary or desirable in order to effect such cancellation with effect from 16 March 2010 or such later date as the Directors may determine.

BY ORDER OF THE BOARD

Robert Carter  
*Secretary*

Dated: 15 February 2010

*Registered office:*  
LG3, Shepherds Central,  
Charecroft Way,  
London  
W14 0EH

### Notes:

- (1) Holders of ordinary shares in the Company are entitled to attend and vote at the meeting. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote at the meeting in his/her place. A form of proxy is attached to this notice for use at the meeting. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the member, but must attend in person. The form of proxy must specify the number of shares in respect of which the proxy is appointed. To appoint more than one proxy you may copy the form of proxy which is attached to this notice for use at the meeting and you should indicate, by ticking the box provided, if the proxy instruction is one of multiple instructions given. All forms must be signed and returned together in the same envelope. A proxy need not also be a member.
- (2) To be valid, the form of proxy (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority in accordance with section 3 of the Powers of Attorney Act 1971), must be lodged with the Registrar of the Company, Capita Registrars, PXS, 34 Beckenham Road, Beckenham BR3 4TU not later than midday on 3 March 2010 (or in the case of an adjourned meeting, not less than 48 hours before the time appointed for that adjourned meeting), or in the case of a poll taken otherwise than at, or on the same day as, the General Meeting or any adjourned meeting, not less than 24 hours before the time appointed for taking the poll.
- (3) Completing and returning a form of proxy will not prevent a member from attending in person at the meeting and voting, should he/she so wish.

- (4) A corporation that is a member may authorise a person to act as its representative at the meeting convened by this notice. That person may exercise the same powers on the corporation's behalf as the corporation could exercise if it were an individual member.
- (5) A corporation that is a member may authorise more than one person to act as its representatives at the meeting convened by this notice. Each person may exercise the same powers on the corporation's behalf as the corporation could exercise if it were an individual member. Where more than one of those persons purport to exercise such a power:
  - (a) if they purport to exercise the power in the same way, the power is treated as exercised in that way; and
  - (b) if they do not purport to exercise the power in the same way, the power is treated as not exercised.

Consequently, if a corporation wishes those persons to be able to exercise a power differently, it should instead appoint them as proxies.

- (6) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, as amended (the "**Regulations**"), the Company gives notice that only those shareholders entered on the relevant register of members (the "**Register**") for certificated or uncertificated shares of the Company (as the case may be) at midday on 3 March 2010 (the "**Specified Time**") will be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at the time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at that meeting. Should the meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. Should the meeting be adjourned for a longer period, then to be so entitled, members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in the notice.
- (7) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournments of it by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed voting service providers, should refer to their sponsors or voting service providers, who will be able to take the appropriate action on their behalf.
- (8) For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for those instructions as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to the previously appointed proxy, must, to be valid, be transmitted so as to be received by the Company's agent (Identification number RA10) by the latest time for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- (9) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or sponsored member or has appointed voting service providers, to procure that its CREST sponsors or voting service providers take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.
- (10) Any person to whom this notice is sent who is a person nominated under s146 Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement with the member who nominated him/her, have a right to be appointed, or have someone else appointed, as a proxy for the general meeting. If a Nominated Person does not have this right or does not wish to exercise it, he or she may have a right under such an agreement to give the member voting instructions. The statement of the rights of members in relation to the appointment of proxies in Note (1) does not apply to Nominated Persons.
- (11) No business, other than the appointment of a chairman to the meeting, shall be transacted at the meeting unless a quorum is present at the time at which the meeting proceeds to business. Two qualifying person are a quorum unless those persons are only qualifying persons because (i) they are each authorised to act as the representative of a corporation, and they are representative of the same corporation and (ii) they are each appointed as a proxy of a member, and they are proxies of the same member. A "**qualifying person**" is an individual who is a member, any person authorised to act as a representative of a member (being a corporation) at the meeting or a person appointed as proxy of a member in relation to the meeting.
- (12) The resolution to be passed at the meeting is a special resolution. Accordingly, the resolution will only be passed if 75 per cent. of the votes cast at the meeting (whether in person, by representative or by proxy) are in favour of the resolution.