
From: jeffrey E. <jeevacation@gmail.com>
Sent: Saturday, December 27, 2014 3:09 PM
To: Brad Wechsler; Melanie Spinella
Subject: Fwd: FW: Phadion re-organisation [MACS-LIVE_LIB.FID2559344]

----- Forwarded message -----

From: Richard Joslin [REDACTED]
Date: Tue, Dec 16, 2014 at 4:53 PM
Subject: FW: Phadion re-organisation [MACS-LIVE_LIB.FID2559344]
To: "jeffrey E." <jeevacation@gmail.com <mailto:jeevacation@gmail.com> >=

Last parag</=>

</=pan>

From: Eileen Alexanderson
Sent: Friday, September 19, 2014 5:28 PM
To: Richard Joslin
Subject: FW: Phadion re-organisation [MACS-LIVE_LIB.FID2559344]</=>

</=pan>

</=pan>

From: Salmon, Hannah (HKAS) [REDACTED]
Sent: Friday, April 25, 2014 8:48 AM
To: Eileen Alexanderson; [REDACTED]
Cc: Powell, Luke (LXP); Greenbank, Ashley (DAG); McCabe, Claire (CZM)=
Subject: Phadion re-organisation [MACS-LIVE_LIB.FID2559344]

<=u>

All

I attach a documents list for the Phadion re-organisa=ion. The steps can be summarised as follows:

1. 1=A0 Transfer of Phaidon Press Inc to JMWTL Manager LL= (this is on hold).

2. 1=A0 The members of JMWTL Acquisition LLP ("LL=") will approve the distribution of the LLP's assets to the m=members. An application to strike off the LLP will then be made. Companies House will review the application and place a notice in=the Gazette. If no objection is filed, approximately 3 months after the da=e of publication of the notice the LLP will be dissolved.

3. 1=A0 JMWTL Topco Limited ("Topco") wi=l complete a capital reduction to create sufficient distributable reserves=to enable the shares of JMWTL Midco Limited ("Midco") to be transferred to the shareholders as a lawful dividend in specie. 1=A31 of share capital will remain. An application to strike off Topco will =hen be made. Companies House will review the application and place a notic= in the Gazette. If no objection is filed, approximately 3 months after the date of publication of the notice Topco w=ll be dissolved.

4. 1=A0 Midco will complete a capital reduction to creat= sufficient distributable reserves to enable the shares of JMWTL Limited ("JMWTL") to be transferred to the shareholders as a lawful dividend in specie. £1 of share capital will remain. An a=plication to strike off Midco will then be made. Companies House will revi=w the application and place a notice in the Gazette. If no objection is fi=ed, approximately 3 months after the date of publication of the notice Midco will be dissolved.</=pan>

5. 1=A0 Phaidon Global LLC will transfer its shares of J=WT to JMWTL Manager LLC.

There will be no liquidator appointed and it is there=ore essential that the directors/LLP members are able to identify all the =ssets and liabilities of the LLP, Topco and Midco.

There will be no need to wait for an entity to be dis=olved before the next step can be taken. It should therefore be possible t= complete the steps fairly quickly.

We hold the register of members for the LLP and this =as not been updated to reflect Phaidon Global LLC and JMWTL Manager LLC bec=ming members of the LLP and PLB LLC and JMWTL LLC ceasing to be members, as we were not aware of the transfer of partner=hip interests. We have also checked the public registers and note that the=public registers do not reflect the change in the membership of the LLP. A= an initial step, it will therefore be necessary to pass ratification resolutions of the LLP members to confir= the membership of the LLP and update the registers accordingly. If Phaido= Global LLC and JMWTL Manager LLC can be included as members from now (rath=r than ratifying historic membership), this will be a much easier (and preferable) process. Have Phaidon Global L=C and JMWTL Manager LLC taken any action as members of the LLP to date?

We have based the steps on the following assumptions: =u>

*<=pan style="font:7.0pt "Times New Roman""> * =A0 the LLP, Topco and Midco have no liabilities (they have given no guarantees, entered into no contracts, there are no loan arrangements in place (intra-group or otherwise) and they have no creditors);

*<=pan style="font:7.0pt "Times New Roman""> * =A0 the share capital of Topco exceeds the value of the Midco shares by at least £1 (this will enable us to reduce the capital of Topco, leaving £1 of capital to create sufficient distributable profits to enable the shares of Midco to be transferred to the LLCs as a dividend in specie);

*<=pan style="font:7.0pt "Times New Roman""> * =A0 the share capital of Midco exceeds the value of the JMWT shares by at least £1;

*<=pan style="font:7.0pt "Times New Roman""> * =A0 the LLP, Topco and Midco have no assets other than the shares of Topco, Midco and JMWT (respectively); =/p>

*<=pan style="font:7.0pt "Times New Roman""> * =A0 accounts/balance sheets of Topco and Midco will be provided to show the assets and liabilities of Topco and Midco before each company reduces its share capital, and also an updated balance sheet will be provided following completion of the capital reduction. It is possible to just have accounts/balance sheets for the position following the capital reduction, but as the directors will have personal liability for the solvency statements they make in connection with the capital reduction, it is preferable for them to have accounts/balance sheets to refer to at the time the solvency statements are made;

*<=pan style="font:7.0pt "Times New Roman""> * =A0 accounts/a balance sheet will be provided for the LLP to show the assets and liabilities of the LLP at the time of the distribution of assets to the members;

*<=pan style="font:7.0pt "Times New Roman""> * =A0 the LLP Agreement dated 3 October 2012 was signed;

*<=pan style="font:7.0pt "Times New Roman""> * =A0 JMWT Manager LLC entered into a deed of adherence to the LLP Agreement (we have seen the deed of adherence signed by Phaido Global LLC); and

*<=pan style="font:7.0pt "Times New Roman""> * =A0 the members confirmed the termination of membership of PLB, LLC and JMWT LLC as members of the LLP (in addition to transferring interests in the partnership to the incoming members which is included in the "reorganization agreement";).

If any of the above assumptions is incorrect, please let us know as this will impact on the steps and the documents needed. </= >

Eileen, please confirm if you are happy for us to commence drafting the documents; if you would like to have a call with us (and Sonia and Gregor) to discuss any of the above points before we begin drafting, please let us know your availability. =/u>

Kind regards

Hannah

Hannah Salmon
Solicitor
Macfarlanes LLP

DD

+44 20 7849 2202 <tel:%2B44%2020%207849%20220=> =/u>

T

+44 20 7831 9222 <tel:%2B44%2020%207831%20922=> =/u>

M

+44 7921 880175 <tel:%2B44%207921%20880175> =/span>

E



W

www.macfarlanes.com <http://www.macfarlanes.com> </=>

20 Cursitor Street London EC4A 1LT<=u>

<=u>

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

Tel: +44 20 7831 9222 <tel:%2B44%2020%207831%209222>

Fax: +44 20 7831 9607 <tel:%2B44%2020%207831%209607>

Email: [REDACTED]

Visit our website at <http://www.macfarlanes.com>

Macfarlanes LLP is a limited liability partnership registered in England with number OC334406. It is authorised and regulated by the Solicitors Regulation Authority. Its registered office and principal place of business are at 20 Cursitor Street, London EC4A 1LT. The word 'partner' is used to refer to a member of Macfarlanes LLP. A list of members, all of whom are solicitors of England and Wales, is open for inspection at the above address. This email (and any attachment), unless clearly personal and unrelated to our business, is sent by the sender on behalf of Macfarlanes LLP. If the content of this email is personal and unconnected with our business, we accept no liability or responsibility for it.

This email (and any attachment) is confidential, may be legally privileged and is intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient please do not disclose, copy or take any action in reliance on it. If you received this message in error please tell us by reply (or telephone the sender) and delete all copies on your system. Whilst we have taken reasonable precautions to ensure that any attachment to this email has been swept for viruses, we cannot accept liability for any damage sustained as a result of software viruses and would advise that you carry out your own virus checks before opening an attachment. Please note that communications sent by or to any person through our computer systems may be viewed by other Macfarlanes personnel and agents.

--

please note

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of JEU and unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited

and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to jeevacation@gmail.com <<mailto:jeevacation@gmail.com>> , and destroy this communication and all copies thereof, including all attachments. copyright -all rights reserved