

No: 2658322

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

4 MAY 1994 MGN Pension Trustees Limited

(Effective 25 April, 1994)

The following resolution was duly agreed to by all the members of the Company in accordance with section 381A of the Companies Act 1985 ("the Act") with effect from 25 April, 1994:

THAT pursuant to section 9 of the Act, the Articles of Association of the Company be altered by deleting the references to "Holborn, London" in Article 8(c)(ii) and the references to "Holborn" in Article 8(e) and all other references to "Holborn" in the Articles and replacing such references wherever they appear with the words "Canary Wharf".

C J Cornwall

C J Cornwall

Chairman

THE COMPANIES ACTS 1985 to 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION OF MGN PENSION TRUSTEES LIMITED

1. The Company's name is "MGN Pension Trustees Limited".
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are to act as, undertake and carry on the office or offices and duties of trustee, custodian trustee, executor, administrator, liquidator, receiver, manager, agent, attorney or nominee of, the Mirror Group Pension Scheme, the MGN Past Service Pension Scheme and the MGN Pension Scheme and any other pension scheme set up for past, present or future employees of Mirror Group Newspapers plc (Registered No.168660), its subsidiaries (as defined in Section 736 of the Act) or its associated companies (as defined in Section 416 of the Income and Corporation Taxes Act 1988) and their dependents ("the Schemes") and to exercise all duties and powers vested in the trustee under the provisions of the Schemes and to that end shall have the following powers:-
 - (a) to invest and deal with the monies of the Company not immediately required for the purposes of the Company in such manner as from time to time be determined and to hold or otherwise deal with any investments made;
 - (b) to borrow and raise money in accordance with the terms of the Schemes and secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
 - (c) to do all or any of the things or matters aforesaid in any part of the world either as principal, agent, contractor or otherwise, and by or through agents, as brokers, sub contractors or otherwise and either alone or in conjunction with others; and
 - (d) to do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND SO THAT:-

- (1) The word "company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- (2) In this clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

4. The liability of the members is limited.
5. The Company's share capital is £1,000 divided into 1,000 shares of £1 each.

* On 6th November 1992 the Company cancelled 986 ordinary shares of £1 each pursuant to Section 121(2)(e) of the Companies Act 1985 leaving an authorised share capital of £14 divided into 14 ordinary shares of £1 each.

We, the Subscribers to this Memorandum of Association, wish to be formed into a Company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

NAMES AND ADDRESSES OF SUBSCRIBERS	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER
1. Instant Companies Limited 2 Batches Street London N1 6UB	ONE
2. Swift Incorporations Limited 2 Batches Street London N1 6UB	ONE
TOTAL SHARES TAKEN	TWO

DATED THIS 8TH DAY OF JULY 1991

Witness to the above signatures:-

Mark Anderson
2 Batches Street
London N1 6UB

THE COMPANIES ACTS 1985 to 1989
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MGN PENSION TRUSTEES LIMITED

(Company Number 2658322)

(Adopted by special resolution dated 6 November 1992 and
amended by written resolution dated 22 April 1993
by special resolutions dated 27 May 1993 and by
written resolutions dated 7 January 1994 and 25 April 1994)

PRELIMINARY

1.(a) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) (such Table being hereinafter called "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 Articles hereinafter contained shall be the regulations of the Company. Regulations 2 to 5, 8 to 22, 29 to 35, 40 to 42, 50, 64, 72 to 81, 84, 87, 89 to 91, 101, 111 and 118 shall not apply to the Company.

(b) In these Articles the expression "the Act" means the Companies Act 1985, but any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

(c) In these Articles the following expressions shall have the following meanings unless the context otherwise requires:-

"A" Director means an "A" Director named as such in or appointed pursuant to Article 8(b).

"B" Director means a "B" Director named as such in Article 8(c)(i) or appointed pursuant to Article 8(c).

"board status" means any individual who is a director of any of MGN, MGN Limited (registered No. 2571173) or Scottish Daily Record and Sunday Mail Limited (registered No. Sc 12921) or of any Employer Member.

"C" Director means a "C" Director named as such in Article 8(d)(i) or appointed pursuant to Article 8(d).

"Directors" means the "A" Directors, "B" Directors and "C" Directors and (except where the context requires) the Chairman taken together.

"editorial" means journalists involved in the creation and origination of words, pictures,

graphics, illustrations, layout, art and design of all and any of MGN's publications and/or in any activities ancillary thereto.

"Employer Member" means MGN, any transferee of MGN (being a subsidiary or holding company of MGN), or any nominee for MGN that is a participating company in respect of the Scheme, that does from time to time become a member of the Company; and for the purpose of these Articles, the expressions "subsidiary" and "holding company" bear the meanings given to them in Section 736 of the Act.

"Maxwell Company" at any time means any private or public limited company including MGN and Maxwell Communication Corporation Plc which at that time was controlled (as defined in section 346(5) of the Act) by Ian Robert Maxwell MC, Ian Robert Charles Maxwell, Kevin Francis Herbert Maxwell or any persons connected with any of them (within the meaning given in section 346 of the Act).

"MGN" means Mirror Group Newspapers plc (registered No. 168660).

"Old Scheme" means the Mirror Group Pension Scheme.

"Scheme" means the MGN Pension Scheme and (where applicable) the MGN Past Service Pension Scheme.

SHARE CAPITAL

2.(a) (i) The authorised share capital of the Company at the date of the adoption of these Articles is £14 divided into seven "A" Ordinary shares of £1 each ("A" Shares"), five "B" Ordinary shares of £1 each ("B" Shares") and two "C" Ordinary shares of £1 each ("C" Shares). Save as provided in these Articles the "A" Shares, the "B" Shares and the "C" Shares shall rank *pari passu* in all respects.

(ii) On adoption of these Articles, one "B" Share shall be issued to each of the "B" Directors and one "C" Share shall be issued to each of the "C" Directors.

(iii) No person other than:-

(1) the Employer Member from time to time may be the registered holder of or beneficially interested in any "A" Share;

(2) a "B" Director from time to time may be the registered holder of or beneficially interested in any "B" Share;

(3) a "C" Director from time to time may be the registered holder of or beneficially interested in any "C" Share.

(b) For the purposes of Section 125 of the Act (i) the "A" Shares and (ii) the "B" Shares together with the "C" Shares shall constitute separate classes of shares, and, subject to the provisions of these Articles, any increase in the authorised or issued share capital of the Company, any consolidation or sub-division of any shares in the Company and any alteration of any of the provisions of the Company's Memorandum of Association or of these Articles shall be deemed to be a variation of the special class rights attached to the shares of each class.

(c) No share in the capital of the Company may be issued except in accordance with these Articles.

(d) Subject to Sections 125 to 129 (inclusive) of the Act, the provisions contained in these Articles relating to general meetings shall, so far as applicable, apply in relation to any meeting of shareholders required by Section 125 of the Act or otherwise to take place in connection with the variation of the rights attached to a class of shares, and shall so apply with the necessary modifications and subject to the following provisions:-

(i) the necessary quorum at any meeting of the "B" and "C" shareholders shall be five "B" or "C" shareholders;

(ii) any holder of shares of the class in question present in person or by proxy may demand a poll; and

(iii) any resolution to vary the rights attached to the "B" and "C" Shares will be passed but only if not less than five holders of "B" or "C" Shares entitled to vote and attend any general meeting convened to consider the variation of the rights attached to the "B" and "C" Shares vote in favour of such resolution.

(e) A resolution in writing executed or signed by or on behalf of each member (or his attorney) who would have been entitled to vote upon it if it had been proposed at either a separate meeting of the holders of a class of shares or at a general meeting of the members of the Company shall be as effectual as if it had been passed at any such meeting duly convened and held and may consist of separate instruments in like form each executed by or on behalf of one or more members.

GENERAL MEETINGS AND RESOLUTIONS

3.(a) Every notice convening a general meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Directors and to the auditors for the time being of the Company.

(b) The words "The notice shall be given to all the members, to the Chairman for the time being and to the directors and auditors" shall be substituted for the last sentence of Regulation 38 of Table A.

4. The quorum necessary for the transaction of the business of the Company shall be four members, of whom one must be the Employer Member and of whom three must be holders of "B" Shares or of "C" Shares (of which three, at least two must be holders of "B" Shares), or, in any case, the duly appointed proxy of the member concerned.

5. If within half an hour from the time appointed for holding the meeting of the Company a quorum is not present the meeting shall stand adjourned to the same day of the next week for the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved.

6. The Chairman or, in his absence, the "A" Deputy Chairman or the "B"/"C" Deputy Chairman (as hereinafter defined) shall preside as chairman at Board or General meetings. If neither the Chairman nor the "A" Deputy Chairman or "B"/"C" Deputy Chairman is present and willing to act within fifteen minutes after the time appointed for the meeting, the members present shall elect one of their number to be, subject to Article 7(b), chairman of the Meeting. The Chairman, notwithstanding that he is not a member, shall be entitled to attend and speak at any meeting of the Company.

VOTES OF MEMBERS

7.(a) Subject to the provisions of Article 8 on a show of hands every member present in person shall have one vote. On a poll every member present in person or by proxy shall have one vote. Notwithstanding the other provisions of this paragraph, in the event that the holder of any "B" Share shall have ceased to be a "B" Director, that holder shall not be entitled to any vote but the remaining "B" Directors may by unanimous decision decide among themselves how the voting rights in respect of that "B" Share shall be exercised whether on a show of hands or a poll. In the event that the holder of any "C" Share shall have ceased to be a "C" Director, the remaining "C" Director may exercise the voting rights in respect of that "C" Share, either on a show of hands or a poll. Regulation 54 in Table A shall be modified accordingly.

(b) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman, but no deputy or substitute chairman acting in his absence including, without limitation, any "A" Deputy Chairman and any "B"/"C" Deputy Chairman, shall have a casting vote.

APPOINTMENT OF DIRECTORS

8. (a) The maximum number of Directors shall be 15, provided always that:-

(i) no person who was a trustee (or a director of a company which was a trustee) of any pension scheme at any time before 6 December 1991 being a time when that scheme related to employment with a Maxwell Company; and

(ii) no person who is whether directly or indirectly beneficially interested in or holds 3 per cent. or more in value of any class of stock, shares, debentures or other securities of MGN or any Employer Member or any of their respective subsidiaries or holding companies from time to time,

may be a Director or Chairman of the Company.

(b) Appointment of "A" Directors

The Employer Member shall be entitled to appoint up to a maximum of seven Directors (such directors being at the date of adoption of these Articles John Hemple, Kevin McMahon, Charles Wilson, Alan Shillum, Jeff Yeung and Mike Shaw, with one vacancy) to hold office at any time, and to remove any Director so appointed from office and to fill the office of any Director so nominated who dies, resigns, or otherwise ceases to be a Director in accordance with the provisions of these Articles. Any such appointment or removal under this Article shall be made in writing under the hand of any director of the Employer Member and any such appointment or removal shall take effect from the date

on which it is lodged at the registered office of the Company. On any resolution proposed at a general meeting of the members of the Company to remove an "A" Director from office, each "A" Share shall carry the right to cast two votes on that resolution.

(c) Appointment of "B" Directors

(i) The employees of MGN and/or of any other Employer Member and any subsidiary (as defined in Section 736 of the Act) of MGN and/or of any other Employer Member who are active members of the Scheme but excluding former employees who still have benefits under the Scheme and former employees who are in receipt of benefits under the Scheme (the "electorate") shall be entitled to appoint up to a maximum of 5 Directors (such appointees being at the date of the adoption of these Articles Alan Burns, David Grindlay, Roy Hutchison, Patrick Hickey and Nolan Phillips provided that Alex Phillips may continue as a "B" Director for the purposes of these Articles until the effective date of compliance by David Grindlay with Section 288 of the Act, which shall not be later than 19 November 1992). If any of them or any successors ceases to be a "B" Director for any reason whatsoever a new "B" Director or new "B" Directors shall be appointed in accordance with Article 8(g).

(ii) The electorate shall be divided into the following constituencies: (a) Canary Wharf (editorial staff), (b) Canary Wharf (non-editorial staff), (c) the employees of Mirror Colour Print Limited, Mirror Colour Print (Oldham) Limited, Mirror Colour Print (Watford) Limited and Mirror Colour Print (London No.1 Plant) Limited (but excluding any person who is eligible to vote as a member of any other constituency) (d) Scotland, (editorial staff) and (e) Scotland, (non-editorial staff). The electorate shall be entitled to appoint one "B" Director in respect of each constituency by means of an election in each constituency provided always that such election takes place in the manner provided by this Article as amended or supplemented from time to time by the Directors with, in the case of an amendment or supplement increasing the cost of such election, the consent of MGN, such consent not to be unreasonably withheld or delayed.

(iii) The Employer Member shall administer and bear the costs of the election of each of the "B" Directors from the five constituencies including, but without limitation, the fees and expenses of the Scrutineers (as defined in Article 8(c)(v)). Each member of the electorate shall be entitled to one vote which must be cast in the constituency in which the member is employed and in no other constituency. Notices in writing shall be given by the Employer Member in such manner as the Directors may prescribe from time to time to members of the relevant constituency inviting them to nominate in writing within 14 days thereof a member of the electorate who is employed or is deemed to be employed at that constituency to stand for election as a "B" Director of the Company for that constituency. No individual who is nominated and has board status will be permitted to stand for election. An individual must be nominated by at least ten members of the constituency to be permitted to stand for election as a "B" Director.

(iv) The Employer Member shall thereafter organise a secret ballot to be conducted no earlier than seven days and no later than 21 days after the time for the making of nominations has expired. The Employer Member shall ensure that, subject as provided in this Article, the secret ballot will take place at the principal workplace of each employee in the constituency concerned unless there are five or fewer members of the electorate whose principal place of work that is in which case it will be conducted by postal ballot. The Employer Member shall procure that all votes, whether by postal ballot or ballot at a

workplace other than the main workplace in a constituency, are forwarded to the main workplace in that constituency which shall be noted in the relevant written ballot notice. If any member of the electorate is:-

- (a) accustomed to work at a place which is not the principal workplace of the constituency; or
- (b) on secondment or assignment from his normal workplace; or
- (c) on holiday; or
- (d) on sick leave; or
- (e) otherwise absent with the leave or at the request of his employer,

such member of the electorate shall be entitled to vote by postal ballot or be able to appoint an appropriate proxy to vote on his behalf at the appropriate workplace of the constituency.

Notice in writing shall be given in the manner prescribed by the Directors to the members of each constituency giving details of the time and place of the ballot, the list of candidates for election and the method of voting and the basis of calculation of votes. The ballot shall be open for such time as the notice prescribes but in any event shall be open for not less than seven (7) days.

(v) The Electoral Reform Society or such other independent person or body as the Directors may appoint from time to time shall act as independent scrutineers ("Scrutineers"). Immediately following the conclusion of the secret ballot the Scrutineers shall count such votes as have been cast and shall verify that the ballot has been conducted in accordance with the procedures provided in this Article as supplemented from time to time by the Directors and shall verify the result of the ballot. The individual in each constituency who receives the most votes shall be elected as the "B" Director of the constituency concerned. Notice in the manner prescribed by the Directors shall be given by the Directors to the electorate of the identity of the person who has been elected as a "B" Director as soon as is practicable thereafter. The decision of the Scrutineers shall be final.

(vi) If the Employer Member fails to seek nominations within 28 days of the date on which a "B" Director ceases to hold office or the date of retirement referred to in Article 8(e) or to conduct a ballot in accordance with this Article the remaining "B" Directors may organise an election upon the same basis subject to reimbursement by the Employer Member of all costs and expenses involved in holding such elections.

(vii) Any appointment under this Article shall take effect from the date on which the result of the above-mentioned election is notified by the Directors to the electorate in accordance with Article 8(c)(v).

On any resolution proposed at a general meeting of the members of the Company to remove a "B" Director from office, each "B" Share shall carry the right to cast five votes on that resolution.

(d) Appointment of "C" Directors

(i) The initial "C" Directors of the Company shall be Kenneth James Sydney Hudgell and William Elwell-Sutton. If either of them or their successors ceases to be a "C" Director for any reason whatsoever a new "C" Director or new "C" Directors shall be appointed by election conducted amongst members of the Scheme and the Old Scheme who are in receipt of a pension payable under the Scheme or the Old Scheme but excluding persons receiving a spouse's or dependant's pension (the "Pensioners") and the deferred Pensioners (as defined in the next paragraph).

(ii) The Pensioners and the deferred Pensioners (being persons who at the date of the notice referred to in Article 8(d)(iii) are not in pensionable service under the Scheme or the Old Scheme but who have a deferred or contingent entitlement to receive a pension payable under the Scheme or the Old Scheme) shall be entitled to appoint two "C" Directors by means of an election provided always that such election takes place in the manner provided by this Article as may be amended or supplemented from time to time by the Directors with, in the case of an amendment or supplement increasing the cost of such election, the consent of MGN, such consent not to be unreasonably withheld or delayed.

(iii) Notice in writing shall be given in such manner as the Directors may from time to time prescribe to the Pensioners and those deferred Pensioners whose respective addresses are known by the relevant date ("known deferred Pensioners"), inviting them to nominate in writing within 14 days Pensioners or deferred Pensioners, resident in the United Kingdom, to stand for election as "C" Directors. An individual must be nominated by at least five Pensioners and/or known deferred Pensioners to be considered for appointment. If no nominations are received within the 14-day period, or if the individual is nominated by fewer than five Pensioners and/or known deferred Pensioners, the Directors may appoint such Pensioner or deferred Pensioner as they think fit but subject to such person not having board status to be a "C" Director.

(iv) The Employer Member shall organise and bear the costs of a postal ballot to be conducted no later than 31 days after the date on which the "C" Directors, or the "C" Director concerned ceases to be a Director. Notice in writing shall be given in the manner prescribed by the Directors to the Pensioners and the known deferred Pensioners giving details of the ballot, the list of candidates for election, the method of voting and the basis of calculation of votes, in each case as determined by the Directors. The ballot shall be open for such time as the notice prescribes. Each Pensioner and each known deferred Pensioner shall be entitled to one vote in such election.

(v) Immediately following the conclusion of the ballot the Scrutineers shall count such votes as have been cast and shall verify that the ballot has been conducted in accordance with the procedures provided in this Article as supplemented from time to time by the Directors and shall verify the result of the ballot. The decision of the Scrutineers shall be final.

(vi) Notice in the manner prescribed by the Directors shall be given to the Pensioners and the known deferred Pensioners of the identity of the person or persons elected as "C" Directors as soon as is practicable thereafter. The individual or two individuals, as the case may be, who receive(s) the most votes shall be elected as "C" Directors.

(4.3) Any appointment under this Article shall take effect from the date on which the result of the election is notified by the Directors to the Pensioners and known deferred Pensioners. On any resolution proposed at a general meeting of the members of the Company to remove a "C" Director from office, each "C" Share shall carry the right to cast seven votes on that resolution.

(e) The "A" Directors shall not be required to retire by rotation. The "B" Directors and the "C" Directors shall be required to retire by rotation in accordance with the provisions of this Article. Unless otherwise provided by these Articles, the first elections to appoint "B" Directors in respect of the two Scottish constituencies shall take place in October 1992, the first elections in respect of the two Canary Wharf constituencies shall take place during October 1994 and the first election in respect of Mirror Colour Print Limited shall take place during April 1995. The first elections to appoint the "C" Directors shall take place in September 1993. Subject to Article 8(g) below, every three years after his/her respective election date, each "B" Director and each "C" Director shall retire and elections in accordance with Article 8(c) and 8(d) respectively shall be held to appoint new "B" Directors and "C" Directors (as the case may be). Retiring "B" Directors and "C" Directors may, subject to the terms of these Articles, offer themselves for re-election and shall remain in office until such time as the elections referred to above have taken place at which time they shall only automatically cease to hold office when the new directors have taken up office unless re-elected.

(f) The office of a Director shall be vacated if:-

(i) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director;

(ii) he becomes bankrupt or makes any arrangement or composition with his creditors generally;

(iii) he is, or may be, suffering from mental disorder and either:-

(a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984; or

(b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

(iv) he resigns his office by notice to the Company;

(v) he shall have been absent without the permission of his fellow Directors for more than three consecutive months, from meetings of Directors held during that period or from at least three consecutive meetings of Directors and, in either case, a meeting of the board resolves that his office shall be vacated;

(vi) any "B" Director attains board status or ceases to be employed by MGN or any other company participating in the Scheme. Provided always that where the "B" Director concerned alleges he ceased to be employed by reason of wrongful or unfair

dismissal or he has been made subject to compulsory redundancy then his office as Director shall only be vacated if eleven Directors subsequently so vote at a meeting of the board of Directors. If no such vote is taken by at least eleven Directors such "B" Director shall only remain in office until the next election to be held in accordance with this Article 8 and shall not be eligible to offer himself for re-election at that time. Provided however that if a court of law of first instance or an industrial tribunal finds such dismissal was not unfair or wrongful or such redundancy was made for valid commercial reasons then the office of such "B" Director shall be vacated immediately;

(vii) any "C" Director ceases to be a deferred Pensioner (as defined in Article 8(d)(ii) above) by reason of his rejoining the Scheme as an active member, or ceases to be resident or ordinarily resident in the United Kingdom;

(viii) he transfers all of his accrued benefits out of the Old Scheme and the Scheme;

(ix) any "B" Director while remaining an employee of any company participating in the Scheme ceases to be an active member of the Scheme whilst leaving his deferred benefits in the Scheme, provided that such "B" Director shall be eligible to be nominated for election as a "C" Director;

(x) he dies;

(xi) in the case of any "B" or "C" Director he is given board status; or

(xii) he falls within the exclusion defined in Article 8(a)(ii) above.

(g) A by-election shall be held in accordance with the procedures set out in Article 8(c) or (d), as appropriate, if any "B" Director or "C" Director vacates office. If a by-election is held as required under this Article 8(g) or 8(h) and takes place fewer than twelve months before the next election for "B" Directors in the constituency concerned or "C" Directors would otherwise take place under Article 8(e) ("triennial election"), that director shall not be required to retire by rotation at the next triennial election but such triennial election shall be deferred, and the "B" Director or "C" Director, as the case may be, shall be entitled, subject to these Articles, to remain in office, until the date on which the subsequent triennial election takes place.

(h) If a "B" Director is promoted to a higher office in their employment during his term of office as a "B" Director, a by-election will be held to confirm the "B" Director in office or to appoint a successor, as the case may be, if a petition calling for such a by-election and signed by not fewer than 25 members of the electorate from the constituency that the Director concerned represents is sent by post to the Chairman at the registered office of the Company within six months of the promotion. Such by-election, if required, shall be conducted in the manner set out in Article 8(c) but shall be held not more than two months following the lodging of such petition.

DIRECTORS' QUALIFICATION SHARES

9. Each "B" Director and each "C" Director from time to time shall on appointment as a Director become the registered holder of one "B" Share or one "C" Share (as the case may be). Upon ceasing to be a Director, the individual concerned shall immediately transfer his shares to his successor in office. For this purpose, the Company is hereby constituted the

agent of each "B" Director and "C" Director from time to time to execute on their behalf the stock transfer form and any other document required to give effect to such share transfer and to this end, any two "B" Directors or "C" Directors may execute the same on behalf of the Company.

REPLACEMENT DIRECTORS

10. If any Director ceases to be a Director in accordance with the terms of these Articles:-

(i) in the case of an "A" Director, he shall be replaced, with immediate effect, by a replacement Director, who has agreed to act in that capacity and who shall be an individual nominated by the Employer Member;

(ii) in the case of a "B" Director, those continuing "B" Directors present at any meeting of the Board shall collectively have one additional vote on any issue considered at that meeting on which they are unanimously agreed; or

(iii) in the case of a "C" Director the remaining "C" Director present at any meeting of the Board shall have one additional vote on any issue considered at that meeting until such time as the election referred to in Article 8(g) takes effect. In no circumstances shall there be more than two "C" Directors in office at any one time.

BORROWING POWERS

11. The Directors may, subject only to the terms of the Scheme and the Old Scheme and these Articles, exercise all the powers of the Company to borrow money and grant and mortgage, charge or standard security over its undertaking and property, or any part thereof as security for any debt, liability or obligation of the Company.

ALTERNATE DIRECTORS

12.(a) An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 in Table A shall be modified accordingly. An "A" Director may act as an alternate for no more than two other "A" Directors.

(b) A Director, subject to Article 12(a), may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as one only for the purpose of determining whether a quorum is present at any meeting of the Directors but in the case of a committee meeting of the Directors he shall count for the Director who appointed him as an alternate Director as well as himself in determining whether a quorum is present.

REMUNERATION OF DIRECTORS

13. Regulation 82 in Table A shall not apply except in the case of the Chairman.

PROCEEDINGS OF DIRECTORS

14.(a) A Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, whether by reason of his membership of the Scheme or of the Old Scheme or otherwise, and if he shall vote on any such resolution his vote shall be counted; and in relation to any such resolution he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

(b) A Director, including an alternate Director, who is in any way, whether directly or indirectly, interested in any shares of any Employer Member or any of its subsidiaries from time to time shall immediately give written notice of the nature of his interest to the Directors at the registered office.

(c) Regulations 94 to 97 shall apply as modified by this Article 14,

(d) The quorum for the transaction of the business of the Directors shall be six, of whom three must be "A" Directors and of whom three must be either "B" Directors or "B" Directors and "C" Directors (of which three, at least two must be "B" Directors). If within half an hour from the time appointed for holding the meeting of the Directors a quorum is not present the meeting shall stand adjourned to the same day of the next week for the same time and place.

(e) Not less than seven days' written notice of a board meeting shall be given except that the Directors may authorise the Secretary to call board meetings by such procedure (otherwise than by giving at least seven days' written notice and which may include reasonable endeavours to contact directors by telephone) and for the purpose or purposes only as shall be specified in the authorisation. Regulation 88 in Table A shall be modified accordingly

CHAIRMAN

15.(a) The first chairman of the board of Directors shall be Colin Cornwall and his initial term of office shall last until 31st March 1993. On 31st March 1993 and on each anniversary thereafter the Chairman shall retire from office but shall, subject to the terms of these Articles, be eligible for re-election then and subsequently every 12 months provided that each subsequent term of office is approved by at least eleven of the other Directors at a board meeting duly convened to consider such re-election. Upon the death of the Chairman or his otherwise ceasing to hold office, the Directors may appoint a new Chairman on the same terms as mentioned above provided that such appointment is unanimously agreed by the Directors and such new Chairman is not the Employer Member, an "A" Director, a "B" Director, "C" Director, an officer or employee of MGN or holding company of MGN and/or the Employer Member (as defined in the Act) or any associated or connected company of MGN and/or the Employer Member or a beneficiary under the Scheme or the Old Scheme. The person holding office as chairman pursuant to this Article 15 including, but without limitation, Colin Cornwall, shall be defined as Chairman. At any meeting of the board of Directors of the Company or any committee or sub-committee meeting thereof the Chairman shall be a director and shall have one vote on all matters to be decided on by the meeting as well as his casting vote. Regulation 88 in Table A is modified accordingly.

(b) Save in the case of resignation, ill health or incapacity (as a result of which the Chairman's capacity to perform his duties is impaired), in which case the Chairman may be removed from office by resolution of the Directors, the Chairman shall not be removed from office unless at least eleven of the Directors (but excluding the Chairman) so resolve at a board meeting duly convened for that purpose.

POWERS OF DIRECTORS AND DELEGATION TO COMMITTEES

16.(a) In this Article "any scheme" means any of the Scheme or either of them, or the Old Scheme, and the "prescribed matters" means any or all of the following:-

- (i) overall investment policy in relation to the funds of any scheme or any change in the identity of the investment manager of any scheme;
- (ii) augmentation of benefits under any scheme or the application of surplus in relation to any scheme;
- (iii) the making of any payment to any employer under any scheme;
- (iv) bulk transfers or any other transfer without the consent of the person in respect of whom it is made into or out of any scheme or the inclusion in any scheme of any associated company of MGN;
- (v) the funding of any scheme;
- (vi) any question relating to the removal of the Company as trustee of any scheme;
- (vii) the amendment of any scheme;
- (viii) any authorisation by the Directors pursuant to Article 14(e);
- (ix) the exercise by the Company of any power which it may have to borrow.

(b) Any decision or resolution on any of the prescribed matters may only be passed by the votes of eleven Directors entitled to attend and vote at the relevant board meeting at which such prescribed matters are considered.

(c) The board may delegate any of its powers, authorities and discretions for such time upon such terms and subject to such conditions as it thinks fit to any committee or sub-committee consisting of an equal number or equal numbers of "A" and "B"/"C" Directors and may from time to time revoke, withdraw, alter or vary all or any of such powers and discharge any such committee or sub-committee in whole or in part.

(d) Without prejudice to the above any committee or sub-committee of the board of directors of the Company dealing with prescribed matters shall be chaired by the Chairman or in his absence the "A" Deputy Chairman or the "B"/"C" Deputy Chairman who shall have been nominated to act as deputy chairman of such committee or sub-committee in accordance with Article 17 and each committee or sub-committee shall include and only be quorate if at least one "A" Director, one "B" Director and one "C" Director are present provided always that any decision or resolution passed by any committee or sub-committee on any of the prescribed matters must be ratified by the Directors at the

earliest practicable meeting and in accordance with Article 16(b) and until ratification shall be ineffective.

(e) The whole provisions of Table A, and in particular Regulations 70 and 71 of Table A, shall be modified accordingly.

DEPUTY CHAIRMAN

17.(a) The Chairman shall nominate the following:-

(i) one "A" Director and one "B" Director or "C" Director to act as his deputy, in his absence at board and general meetings of the Company;

(ii) for the purposes of each committee and sub-committee of the Board, one "A" Director and one "B" or "C" Director from amongst the existing members of that committee or sub-committee to act as his deputy, in his absence, at meetings of such committee or sub-committee.

For the purposes of these Articles any person so nominated and approved by the board under Article 17(b) shall be referred to as the "A" Deputy Chairman if he is an "A" Director and the "B"/"C" Deputy Chairman if he is a "B" or a "C" Director.

(b) All nominations made in accordance with Article 17(a) are subject to the approval of a meeting of the board of Directors of the Company and shall be reviewed at each board meeting which is convened under Article 15(a) to consider the re-election of the Chairman.

(c) On the first occasion that the Chairman is absent from a board meeting the "A" Deputy Chairman shall be Chairman of such board meeting. The following occasion the Chairman is so absent, the "B"/"C" Deputy Chairman shall be Chairman of such board meeting. Thereafter, on each occasion the Chairman is absent the chairman of such board meeting shall alternate between the "A" Deputy Chairman and the "B"/"C" Deputy Chairman. The provisions of this Article 17(c) shall apply, mutatis mutandis, to general meetings of the Company and to the meetings of each committee and sub-committee of the board.

(d) Any Deputy Chairman appointed pursuant to this Article shall not have a casting vote in addition to his vote as a Director.

THE SEAL

18.(a) If the Company has a seal it shall be used only with the authority of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, shall be signed by a Director and by the Secretary or second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal.

(b) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

INDEMNITY

19.(a) Every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall have effect only in so far as its provisions are not avoided by Section 310 of the Act.

(b) The Directors shall have power to purchase and maintain for any Director, officer or auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

TRANSFER OF SHARES

20. The Directors shall register the transfer of a share in the Company but only if it is (i) a transfer by the Employer Member to any subsidiary or holding company, or subsidiary of any holding company, of the Employer Member or to a nominee for the Employer Member, in each case which is a participating company in respect of the Scheme or (ii) the transfer of a share registered in the name of a departing "B" or "C" Director to his successor "B" or "C" Director, as the case may be, and the first sentence of Regulation 24 in Table A shall not apply to the Company.

NOTICES

21. Any notice to be given to or by any person pursuant to these Articles shall be in writing.