

No. 04320977

THE COMPANIES ACT 2006

WRITTEN RESOLUTIONS

-OF-

**ASCOT RACECOURSE LIMITED
(the "Company")**

Circulation date: 22nd July 2016

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the above-named company (the "Company") propose that the following resolution (the "Resolution") is passed as a special resolution

SPECIAL RESOLUTIONS

1 ALTERATION OF ARTICLES OF ASSOCIATION

1.1 THAT, pursuant to section 21 of the Companies Act 2006, the Articles of Association of the Company be amended by inserting the following new Article 61.3

"Notwithstanding anything contained in these Articles, other than Article 61.2:

(a) any pre-emption rights conferred on existing members by these Articles or otherwise shall not apply to any transfer of shares where such transfer is:

(i) in favour of any bank or institution (or any nominee or nominees of such bank or institution) to whom such shares are being transferred by way of security, or

(ii) duly executed by any such bank or institution (or any such nominee or nominees) to whom such shares shall (including any further shares in the Company acquired by reason of its holding of such shares) have been transferred as aforesaid, pursuant to the power of sale under such security, or

(iii) duly executed by a receiver appointed by a bank or institution pursuant to any security document which creates any security interest over such shares,

and a certificate by any official of such bank or institution or any such receiver that the shares are or are to be subject to such a security and that the transfer is executed in accordance with the provisions of this Article shall be conclusive evidence of such facts, and

(b) any lien on shares which the Company has shall not apply in respect of any shares which have been charged by way of security to a bank or financial

COMPANIES HOUSE

FRIDAY



A5H4OU6Y

A14

07/10/2016

#12

institution or a subsidiary of a bank or financial institution or which are transferred in accordance with the provisions of this Article."

2. This resolution shall have effect notwithstanding any provisions of the Company's Articles of Association.

We, the undersigned, being a person entitled to vote on the Resolution on 22nd
22nd 2016, hereby irrevocably agree to the Resolution.


Ascot Authority (Holdings) Limited

Date: 22nd July 2016

NOTES

- 1 If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company in hard copy, by e-mail, or by fax or in electronic form
2. Once you have signified your agreement to the Resolution, you may not revoke your agreement.
- 3 If by the date falling 28 days from the circulation date, sufficient agreement has not been received in order to pass the Resolution, the Resolution will lapse. If you agree to the Resolution, please ensure that your agreement reaches the Company on or before this date
- 4 If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document

Company No 4320977

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

Ascot Racecourse Limited

withers ^{LLP}

16 Old Bailey

London

EC4M 7EG

Tel +44 (0)20 7597 6000

Fax +44 (0)20 7597 6543

Ref TJT/LN00106 253

Index to these Articles

PART 1 Preliminary and limitation of liability	1
PART 2 Directors	7
Directors' powers and responsibilities	7
Decision-making by Directors	8
Directors' conflicts of interest	12
Appointment of Directors	16
Alternate Directors	18
PART 3 Decision-making by members	19
Organisation of general meetings	19
Voting at general meetings	22
PART 4 Shares and distributions	26
Issue of Shares	26
Interests in Shares	26
Partly Paid Shares	28
Transfer and transmission of Shares	35
Fractions of Shares	36
Distributions	37
Capitalisation of profits	40
PART 5 Miscellaneous provisions	40
Communications	40
Administrative arrangements	41
Directors' indemnity and insurance	42
Interpretation	43

PART 1 – Model Articles, objects and limitation of liability

1 Model Articles

1 1 None of the articles contained in any of the schedules to the Companies (Model Articles) Regulations 2008 shall apply to the Company

1 2 (a) The object of the Company is to carry on business as a general commercial company for the purpose of promoting the success welfare and prosperity of the Ascot Races which condition shall be deemed satisfied by a resolution of the board of directors of the Company made in accordance with the Articles

(b) To the extent that any of the following are not included in clause 1 2(a) the Company shall have the following powers provided that the exercise of any such powers are for the purpose of promoting the success welfare and prosperity of the Ascot Races which condition shall be deemed satisfied by a resolution of the board of directors of the Company made in accordance with the Articles

- (1) to carry on with a view to profit any business or other activity either alone or indirectly through a company owned and controlled by the Company or in partnership or through any other form of joint venture,
- (2) to provide and pay for stakes and prizes for the Ascot Races,
- (3) to maintain repair improve add to or alter any buildings stands rooms offices enclosures approaches conveniences gates fences or other property vested in the Company or to provide or erect new buildings stands rooms offices enclosures approaches conveniences gates fences or other things deemed necessary or convenient for use in connection with the Ascot Races,
- (4) to purchase or otherwise acquire any real or personal property,
- (5) to form and provide reserve or contingency funds to meet any unforeseen accident or emergency or for any other purpose which may be deemed advisable with power to apply such funds or any part thereof in accordance with these objects,
- (6) to use income or any other funds available to the Company in any other manner which in the opinion of the Company will be calculated to promote the success welfare or prosperity of the Ascot Races,
- (7) to make any articles or byelaws with reference to the admission of visitors and other persons to the Ascot Race Course or any stands

buildings or premises for the time being used in connection therewith or to any of the premises for the time being vested in the Company or otherwise with reference to the use or enjoyment of any of the said premises and to fix and determine the prices to be from time to time charged for the admission of visitors or other persons to the Ascot Race Course or any stands buildings or premises for the time being used in connection therewith or to any of the premises for the time being vested in the Company or otherwise for the use and enjoyment of any of the said premises,

- (8) to sell or to exchange for other lands buildings or hereditaments situate adjoining or near to the Ascot Race Course and which it may be thought desirable to acquire lands buildings hereditaments and premises for the time being vested in the Company and which in the opinion of the Company may not be required for the promotion of the success welfare and prosperity of the Ascot Races,
- (9) to undertake any project for the development or redevelopment of the Ascot Race Course or any of its amenities (including the provision of hotel accommodation) either directly or through any company or entity wholly or partly owned by the Company,
- (10) to carry on the business of a holding company and to acquire by purchase, exchange, subscription or otherwise and to hold the whole or any part of the securities in any companies for the time being engaged, concerned or interested in any industry, trade or business and to promote the beneficial co-operation of any such companies as well with one another as with the Company and to exercise in respect of such investments and holdings all the rights, powers and privileges of ownership,
- (11) to purchase, take on lease or by other means acquire any freehold, leasehold or other property for any estate or interest whatever and any rights, privilege or easements over or in respect of any property and any buildings, workrooms, shops, warehouses, farms, dairies, factories, mills, works, machinery, engines, motors, rolling stock, plant, live and dead stock or things and any real or personal property or rights whatsoever which may be necessary for or may be conveniently used with or may enhance the value of any other property of the Company,

- (12) save as provided below to borrow or raise or secure the payment of money in any manner on any terms (including with or without giving security and whether or not on a non-recourse basis and so that no lender shall be concerned as to the amount purpose or application of any such loan) whatsoever, whether alone or jointly and/or severally with any other person or persons and to enter into agreements for the hedging of interest rates under loan agreements and to secure any debt, obligation or liability whatsoever by mortgages of or charges upon all or any part of the undertaking, real and personal property, assets, rights and revenues (present or future) and uncalled capital of the Company, to create and issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures, debenture stock or other securities of any description either permanent or redeemable or repayable, for the purposes of or in connection with the borrowing or raising of moneys by the Company to become a member of any building society, and also as security for the performance of any contracts or any obligations of the Company or of its customers or other persons or corporations having dealings with the Company, or in whose businesses or undertakings the Company is interested, whether directly or indirectly,
- (13) to receive money on deposit or loan upon such terms as the Company may approve,
- (14) to lend and advance money or give credit or financial accommodation in any manner on any terms, whether with or without interest and whether or not supported by guarantee and/or security, to any person or company, including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by s 1159 of the Act) of the Company or of the Company's holding company or is controlled by the same persons as control the Company (or any holding company of the Company) or is otherwise associated with the Company in business or engaged with it in any enterprise, transaction or venture and to the extent that the same is permitted by law, to give financial assistance by any means for the purpose of acquisition of shares in the Company or the Company's holding company for the time being,
- (15) to invest and deal with the moneys of the Company in such manner as the Company may from time to time decide and to hold or otherwise deal with any investments made,

- (16) save as provided below to enter into any guarantee, bond, contract of indemnity, suretyship or joint obligation and otherwise give security or become responsible for the performance of any obligations or the discharge of any liabilities by any person or company in any manner on any terms whatsoever, whether alone or jointly and/or severally with any other company or companies and whether with or without the Company receiving any consideration or advantage and whether or not in furtherance of the attainment of any other object of the Company,
- (17) save as provided below to guarantee, support or secure by personal covenant or by mortgaging or charging all or any part of the undertaking, real and personal property, assets and revenues (present and future) and uncalled capital of the Company, or by both such methods, or in any other manner any debts, obligations or securities whatsoever, including (without limitation) those of any Company which is for the time being the holding company or a subsidiary (both as defined by s 1159 of the Act) of the Company or of the Company's holding company or is controlled by the same persons as control the Company (or any holding company of the Company) or is otherwise associated with the Company in business or engaged with it in any enterprise, transaction or venture,
- (18) to grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the Company or its predecessors in business or the dependants or connections of such persons, to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to providing pensions or other benefits for any such persons, their dependants or connections, to make payments towards insurance including insurance for any Director, officer or auditor against any liability as is referred to in ss 232-235 of the Act and to support or subscribe to any charity funds or institutions, the support of which may, in the opinion of the Directors, be calculated directly or indirectly to benefit the Company or its employees, and to institute or maintain any club or other establishment or profit sharing scheme calculated to advance the interests of the Company or its officers or employees,
- (19) to draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments,
- (20) to enter into any partnership or joint venture arrangement or arrangement for sharing profits, union of interests or co-operation in

carrying on any business within the objects of the Company with any other company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company,

- (21) to enter into any partnership or joint venture arrangement or arrangement for sharing profits, union of interests or co-operation in carrying on any business within the objects of the Company with any firm or individual, and to guarantee the contracts or liabilities of such firm or individual, and to subsidise or otherwise assist any such firm or individual,
- (22) to establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of the Company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of the Company and to acquire and hold or dispose of shares, stock or securities of and guarantee the payment of the dividends, interest or capital of any shares, stock or securities issued by or any other obligations of any such company,
- (23) to enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions,
- (24) to amalgamate with any other company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or any controlling interest in the shares or stock of this or any such company, or by partnership, or any arrangement of the nature of partnership, or in any other manner,
- (25) to control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or

indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments for any reason and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies,

- (26) to distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law,
- (27) to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any Company purchasing the same,
- (28) to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or Company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company,
- (29) to do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, subcontractors or otherwise,
- (30) to do all such things as are incidental or conducive to the above objects or any of them,

provided that notwithstanding any provision in these Articles to the contrary, the Company shall not have the power to encumber in any way any land or hereditaments or any rights of whatsoever description belonging to The Crown Estate without first obtaining the written consent of The Crown Estate on behalf of Her Majesty

And it is hereby declared that in the construction of this clause the word 'company' except where used in reference to the Company shall be deemed to include any person or partnership or other body of persons, whether incorporated or unincorporated, and whether domiciled in Great Britain or elsewhere, and that the objects specified in the different paragraphs of this clause shall, except where otherwise expressed not be in any way limited by reference to any other paragraph or the name of the Company, but may

be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of such paragraphs defined the objects of a separate, distinct and independent company

2 Liability of members

The liability of each member is limited to the amount, if any, unpaid on the Shares held by him

PART 2 – Directors

Directors' powers and responsibilities

3 Directors' general authority

Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company

4 Members' reserve power

4 1 The members may, by special resolution, direct the Directors to take, or refrain from taking, specified action

4 2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution

5 Directors may delegate

5 1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories, and
- (e) on such terms and conditions,

as they think fit

5 2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated

5 3 The Directors may revoke any delegation in whole or in part, or alter its terms and conditions

6 Committees

- 6 1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors
- 6 2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them

Decision-making by Directors

7 Directors to take decisions collectively

- 7 1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 16
- 7 2 If
- (a) the Company has only one Director, and
 - (b) no provision of the Articles requires it to have more than one Director,
- the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making

8 Calling a Directors' meeting

- 8 1 Any Director may call a Directors' meeting. If the Company has a company secretary, he must call a Directors' meeting if a Director so requests
- 8 2 A Directors' meeting is called by giving notice of the meeting to the Directors
- 8 3 Notice of any Directors' meeting must include
- (a) an agenda,
 - (b) its proposed date and time,
 - (c) where it is to take place, and
 - (d) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting
- 8 4 Notice of a Directors' meeting must be given to each Director, but need not be in Writing

- 8 5 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting. Where such a waiver is given, whether before or after the meeting, that does not affect the validity of the meeting, or of any business conducted at it.

9 Participation in Directors' meetings

- 9 1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when
- (a) the meeting has been called and takes place in accordance with these Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 9 2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how he communicates with the other Directors.
- 9 3 ¹If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

10 Quorum for Directors' meetings

- 10 1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 10 2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors. Unless otherwise fixed it is two and, subject to an ordinary resolution to vary it, must never be less than two.

11 Meetings where total number of Directors less than quorum

- 11 1 This Article applies where the total number of Directors for the time being is less than the quorum for Directors' meetings.
- 11 2 If there is only one Director, he may appoint sufficient Directors to make up a quorum or call a general meeting to do so.
- 11 3 If there is more than one Director

¹ Intended for administrative convenience only and not to be taken as having any bearing on the Company's residence for tax purposes.

- (a) a Directors' meeting may take place, if it is called in accordance with these Articles and at least two Directors participate in it, with a view to appointing sufficient Directors to make up a quorum or calling a general meeting to do so, and
- (b) if a Directors' meeting is called but only one Director attends at the appointed date and time to participate in it, he may appoint sufficient Directors to make up a quorum or call a general meeting to do so

11 4 If the Company has fewer than two Directors and the Director (if any) is unable or unwilling to appoint sufficient Directors to make up a quorum or to call a general meeting to do so, then two or more members may call a general meeting (or instruct the company secretary (if any) to do so) for the purpose of appointing one or more Directors

12 Chairing Directors' meetings

- 12 1 The Directors may appoint one of their number to chair their meetings. The person so appointed for the time being is known as the Chairman
- 12 2 The Directors may appoint other Directors as deputy or assistant chairmen to chair Directors' meetings in the Chairman's absence
- 12 3 The Directors may terminate the appointment of the Chairman, deputy or assistant at any time
- 12 4 If neither the Chairman nor his deputy or assistant has participated in a meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it

13 Voting at Directors' meetings: general rules

- 13 1 Subject to these Articles and in particular Article 19 3, a decision is taken at a Directors' meeting by a majority of the votes of the participating Directors although no resolution may be carried unless all of the Trustee Directors (either personally or by way of proxy or by appointing an alternate Trustee Director) vote in favour of the resolution
- 13 2 Subject to these Articles, each Director participating in a Directors' meeting has one vote

14 Chairman's casting vote at Directors' meetings

- 14 1 If the numbers of votes for and against a proposal are equal, the Chairman or other Director chairing the meeting shall not have a casting vote

14 2 Article 14 1 does not apply if, in accordance with these Articles, the Chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes

15 Alternates voting at Directors' meetings

A Director who is also an Alternate has an additional vote on behalf of each Appointor who is

15 1 not participating in a Directors' meeting, and

15 2 would have been entitled to vote if he were participating in it

16 Proposing Directors' written resolutions

16 1 Any Director may propose a Directors' written resolution

16 2 If the Company has a company secretary, he must propose a Directors' written resolution if a Director so requests

16 3 A Directors' written resolution is proposed by giving notice of the proposed resolution to the Directors

16 4 Notice of a proposed Directors' written resolution must indicate

(a) the proposed resolution, and

(b) the time by which it is proposed that the Directors should adopt it

16 5 Notice of a proposed Directors' written resolution must be given in Writing to each Director

17 Adoption of Directors' written resolutions

17 1 A proposed Directors' written resolution is adopted when all the Directors who would have been entitled to vote on the resolution at a Directors' meeting have signed one or more copies of it, provided that they would have formed a quorum at such a meeting

17 2 It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted

17 3 Once a Directors' written resolution has been adopted, it shall take effect as if it had been a decision taken at a Directors' meeting in accordance with these Articles

18. Directors' discretion to make further rules

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors

Directors' conflicts of interest

19 Non-transactional conflicts

- 19 1 Subject to Article 19 7, a Director must avoid any situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, including situations which involve the exploitation of property, information or opportunities regardless of whether or not the Company could have exploited such circumstances or whether the Director has, in fact, exploited such circumstances (a 'Conflict')
- 19 2 The Directors are hereby empowered for the purposes of s175 of the Act to authorise any Conflict that may arise and to amend or vary any such authorisation. Such authorisation shall be given by board resolution made in accordance with these Articles.
- 19 3 A Directors' meeting called for the purpose of passing a resolution under Article 19 2 shall only be valid and the consequent resolutions effective if
- (a) any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without counting the Director in question, and
 - (b) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.
- 19 4 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently)
- (a) extend to any actual or potential Conflict which may reasonably be expected to arise out of the matter so authorised,
 - (b) be subject to such terms and for such duration, or impose such limits or conditions, as the Directors may determine,
 - (c) be terminated or varied by the Directors at any time but so that any such termination or variation shall not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 19 5 Where the Directors authorise a Conflict
- (a) the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict,

- (b) the Director will not infringe any duty he owes to the Company by virtue of ss171-177 of the Act provided he acts in accordance with such terms, limits and conditions as the Directors impose in respect of its authorisation
- 19 6 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director:
 - (a) is excluded from discussions (whether at Directors' meetings or otherwise) related to the Conflict,
 - (b) is not given any documents or other information relating to the Conflict,
 - (c) may or may not vote (or may or may not be counted in the quorum) at any future Directors' meeting in relation to any resolution relating to the Conflict
- 19 7 The duty in Article 19 1 will not be breached if
 - (a) the circumstances giving rise to the Conflict or possible Conflict cannot reasonably be regarded as likely to result in a conflict of interest between the Director and the Company,
 - (b) the specific Conflict is authorised by the Directors in accordance with this Article or by ordinary resolution,
 - (c) the Conflict exclusively relates to the Director's status as a director of, or to his other interests in, any member of its Group, or
 - (d) the Conflict exclusively relates to the Director acting in a professional capacity for the Company or any member of its Group, whether or not he is remunerated for it
- 19 8 Without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information in circumstances where disclosure may otherwise be required under these Articles, in authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict, otherwise than through his position as a Director and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to
 - (a) disclose such information to any Director or other officer or employee of the Company, or
 - (b) use or apply any such information in performing his duties as a Director,

where to do so would amount to a breach of that confidence

19 9 Subject to Articles 19 3 to 19 6, a Director with a Conflict shall continue to be entitled to receive notice of, attend, count towards the quorum of and vote at all Directors' meetings. He may take such additional steps as may be necessary or desirable for the purpose of managing such Conflict, including but not limited to

- (a) absenting himself from any Directors' meetings at which the relevant situation is considered, and
- (b) not reviewing documentation or information made available to Directors generally in relation to the Conflict and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documentation or information

19 10 A Director shall not be required to account to the Company for any profit, remuneration or other benefit he derives from or in connection with a relationship involving a Conflict which has been duly authorised by the Directors or the Company in general meeting and no contract is liable to be voided on such grounds

19 11 A Director is required to disclose to the Directors all Conflicts of which he is aware upon his appointment as a Director as well as any changes to such Conflicts as soon as he becomes aware of them. A notification to the Directors made in accordance with s184 (declaration by way of written notice) or s185 (general notice) of the Act is deemed adequate disclosure for the purposes of these Articles

19 12 The Directors shall maintain a register of all Directors' Conflicts. The Directors shall also institute procedures for the ongoing identification and disposal of Conflicts in such a manner as they deem appropriate

20 Transactional conflicts

20 1 If a Director is in any way, directly or indirectly, interested in an actual or proposed transaction or arrangement with the Company or any member of its Group, he must, subject to Article 20 2, declare the nature and extent of that interest to the other Directors. Provided that such obligation shall not be breached if:

- (a) the situation cannot reasonably be regarded as likely to result in a conflict of interest between the Director and the Company, or
- (b) the interest exclusively relates to the Director's status as a director of, or to his other interests in, any member of its Group

- 20 2 Subject to Article 20 3, if a Directors' meeting, or part of a Directors' meeting, is concerned with such an actual or proposed transaction or arrangement and a Director has declared his interest he is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes
- 20 3 A Director who makes such a declaration is to be counted as participating in a decision at a Directors' meeting, or part of a Directors' meeting, relating to it for quorum and voting purposes if
- (a) his co-Directors present at such meeting approve his continued participation (and for these purposes the provisions of Article 19 3 *mutatis mutandis* shall apply),
 - (b) the Company by ordinary resolution disapplies the provisions of these Articles which would otherwise prevent a Director from being counted as participating in, or voting at, a Directors' meeting, or
 - (c) the Director's interest arises from
 - (1) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any member of its Group, or
 - (2) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors

21 Administration of Conflicts

- 21 1 Subject to Article 21 2, if a question arises at a Directors' meeting or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive
- 21 2 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes
- 21 3 For the purposes of these Articles

- (a) the interests of a Director shall be determined in accordance with ss820-826 of the Act and include the interests of a person who is Connected with a Director, and
- (b) the interests of an Alternate include such of the interests of his Appointor of which the Alternate is aware

Appointment of Directors

22 Methods of appointing Directors

- 22 1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director
- (a) by ordinary resolution,
 - (b) by notice in writing to the Directors signed by the holders of the majority of the Shares accompanied by a signed statement of the Director that he is willing to act as a Director, or
 - (c) by a decision of the Directors
- 22 2 In any case where, as a result of death, the Company has no members and no Directors, the personal representatives of the last member to have died shall have the right, by notice in Writing, to appoint a person to be a Director
- 22 3 For the purposes of Article 22 2, where two or more members die in circumstances rendering it uncertain who was the last to die, the younger member is deemed to have survived the older member

23 Termination of Director's appointment

A person ceases to be a Director as soon as

- 23 1 he ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law,
- 23 2 he is convicted of a criminal offence (other than a road traffic offence not punishable by a custodial sentence) and the Directors resolve that his office be vacated,
- 23 3 a Bankruptcy order is made against him,
- 23 4 a composition is made with his creditors generally in satisfaction of his debts,

- 23 5 a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months,
- 23 6 by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have,
- 23 7 notification is received by the Company from the Director that he is resigning or retiring from office as Director, and such notice of resignation or retirement has taken effect in accordance with its terms,
- 23 8 a notice in writing signed by the holders of the majority of the Shares stating that he be removed from office is given to the Company,
- 23 9 a resolution to that effect is signed by all the other Directors, or
- 23 10 being a Trustee Director he ceases to be a Trustee

24 Directors' remuneration

24 1 A Director may undertake any services for the Company that he decides

24 2 A Director is entitled to such remuneration as the Directors determine

(a) for his services to the Company as a Director, and

(b) for any other service which he undertakes for the Company,

provided that in the case of the Trustee Directors any remuneration from the Company or any of its subsidiaries or associated companies is subject to the restrictions in the Ascot Authority Act 1913 and the two supplemental court orders governing remuneration by Morritt LJ dated 22 April 1994 and by Master Dyson dated 19 July 1994 both under reference Ch1993 B 7664

24 3 Subject to these Articles, a Director's remuneration may take any form, and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of him

24 4 Unless the Directors decide otherwise

(a) Directors' remuneration accrues from day to day, and

(b) Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company or any

member of its Group or of any other body corporate in which the Company is interested

25 Directors' expenses

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at

- 25 1 meetings of Directors or committees of Directors,
- 25 2 general meetings, or
- 25 3 separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

Alternates

26 Appointment and removal of Alternates

- 26 1 Any Director (the 'Appointor') may appoint as an Alternate any Director, or any person approved by resolution of the Directors, to
 - (a) exercise his powers, and
 - (b) carry out his responsibilities,in relation to the taking of decisions by the Directors in his absence
- 26 2 A Trustee Director may appoint no Alternate Director other than another Trustee Director
- 26 3 Any appointment or removal of an Alternate must be effected by notice in Writing to the Company signed by the Appointor, or in any other manner approved by the Directors
- 26 4 The notice must
 - (a) identify the proposed Alternate, and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate that he is willing to act as the Appointor's Alternate

27 Rights and responsibilities of Alternates

- 27 1 An Alternate has the same rights, in relation to any Directors' meeting or Directors' written resolution, as his Appointor
- 27 2 Except as these Articles specify otherwise, an Alternate

- (a) is deemed for all purposes to be a Director,
- (b) is liable for his own acts and omissions,
- (c) is subject to the same restrictions as his Appointor, and
- (d) is not deemed to be an agent of or for his Appointor

27 3 A person who is an Alternate but not otherwise a Director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if his Appointor is not participating), and
- (b) may sign a Directors' written resolution (but only if it is not signed or to be signed by his Appointor)

Where he acts as Alternate for more than one Appointor, he may be counted as more than one Director for such purposes

27 4 An Alternate is not entitled to receive any remuneration from the Company for serving as an Alternate except such part of his Appointor's remuneration as the Appointor may direct by notice in Writing to the Company

28 Termination of Alternate's appointment

An Alternate's appointment as an Alternate terminates

- 28 1 when his Appointor revokes the appointment by notice to the Company in Writing,
- 28 2 on the occurrence of any event in relation to the Alternat, if it occurred in relation to his Appointor, would result in the termination of the Appointor's appointment as a Director, or
- 28 3 when his Appointor ceases to be a Director

PART 3 – Decision-making by members

Organisation of general meetings

29 Attendance and speaking at general meetings

- 29 1 A person shall be regarded as present at a general meeting where he is in a position to communicate to all those present at the place at which the meeting was convened and to all others who are themselves in such a position, any information or opinions which that person has on the business of the meeting notwithstanding that he may be in a different place from the other attendees
- 29 2 A member may exercise his right to vote on a resolution at a general meeting when

- (a) he is present (either in person or by proxy), and
- (b) he is not prohibited from voting on the resolution concerned, either by law or any provision of these Articles

29 3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

30 Quorum for general meetings

30 1 No business other than the appointment of the Chairman of the Meeting is to be transacted at a general meeting if the persons present do not constitute a quorum. Two Directors entitled to vote upon the business to be transacted, being a member or a proxy for a member or a duly authorised representative of a corporate member, shall be a quorum.

30 2 In determining whether the meeting is quorate, it is immaterial whether any two or more members present are in the same place as each other.

31 Chairing general meetings

31 1 If the Directors have appointed a Chairman, he shall chair general meetings if present and willing to do so.

31 2 If the Directors have not appointed a Chairman, or if he is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

- (a) the deputy or assistant chairman (if any) shall chair the meeting if present and willing to do so, or
- (b) if there is no deputy or assistant chairman willing to chair the meeting:
 - (1) the Directors present, or
 - (2) (if there are no Directors present) the members present,

must appoint a Director or member (as the case may be) to chair the meeting, and the appointment of the Chairman of the Meeting must be the first business of the meeting.

31 3 The person chairing a meeting in accordance with this Article is referred to as 'the Chairman of the Meeting'.

32 Attendance and speaking by Directors and non-members

32 1 Directors may attend and speak at general meetings, whether or not they are members.

- 32 2 The Chairman of the Meeting may permit other persons who are not
- (a) members of the Company, or
 - (b) otherwise entitled to exercise the rights of members in relation to general meetings,
- to attend and speak at a general meeting

33 Adjournment

- 33 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the meeting must adjourn it
- 33 2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if
- (a) the meeting consents to an adjournment, or
 - (b) it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 33 3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting
- 33 4 When adjourning a general meeting, the Chairman of the Meeting must
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 33 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain
- 33 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

Voting at general meetings

34 Voting: general

- 34 1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles
- 34 2 On a vote on a resolution on a show of hands at a general meeting every member present in person has one vote and every proxy present, who has been duly appointed by a member entitled to vote on the resolution, has one vote
- 34 3 On a vote on a resolution on a poll taken at a general meeting every member has one vote in respect of each Share held by him

35 Errors and disputes

- 35 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid
- 35 2 Any such objection must be referred to the Chairman of the Meeting whose decision is final

36 Demanding a poll

- 36 1 A poll on a resolution may be demanded
 - (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared
- 36 2 A poll may be demanded by
 - (a) the Chairman of the Meeting,
 - (b) a Director,
 - (c) two or more persons having the right to vote on the resolution, or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution
- 36 3 A demand for a poll may be withdrawn if the poll has not yet been taken and the Chairman of the Meeting consents to the withdrawal

37 Procedure on a poll

- 37 1 Subject to these Articles, polls at general meetings must be taken when, where and in such manner as the Chairman of the Meeting directs
- 37 2 The Chairman of the Meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared. The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded
- 37 3 A poll on the election of the Chairman of the Meeting or a question of adjournment must be taken immediately. Other polls must be taken within 28 days of their being demanded
- 37 4 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded
- 37 5 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken

38 Content of Proxy Notices

- 38 1 Proxies may only validly be appointed by a notice in Writing (a '**Proxy Notice**') which
- (a) states the name and address of the member appointing the proxy,
 - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,
 - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the Directors may determine, and
 - (d) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate
- 38 2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes
- 38 3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
- 38 4 Unless a Proxy Notice indicates otherwise, it must be treated as

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

39 Delivery of Proxy Notices

- 39 1 Any notice of a general meeting must specify the address or addresses ('**Proxy Notification Address**') at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it
- 39 2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person
- 39 3 Subject to Articles 39 4 and 39 5, a Proxy Notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting to which it relates
- 39 4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll
- 39 5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered
 - (a) in accordance with Article 39 3, or
 - (b) at the meeting at which the poll was demanded to the Chairman or any Director
- 39 6 An appointment under a Proxy Notice may be revoked by delivering a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given to a Proxy Notification Address
- 39 7 A notice revoking a proxy appointment only takes effect if it is delivered before
 - (a) the start of the meeting or adjourned meeting to which it relates, or
 - (b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates

39 8 If a Proxy Notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who signed it to do so on the appointor's behalf

39 9 In calculating the periods mentioned in this Article no account shall be taken of any part of a day that is not a Business Day

40 **Amendments to resolutions**

40 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

- (a) notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine) provided that in calculating such period no account shall be taken of any part of a day that is not a Business Day, and
- (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution

40 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

- (a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

40 3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution

41 **No voting of Shares on which money owed to Company**

No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that Share have been Paid

42 **Class meetings**

The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares

PART 4 – Shares and distributions

Issue of Shares

43 Power to issue Shares

- 43 1 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution
- 43 2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares
- 43 3 Any Shares for the time being unissued shall, before they are issued, be offered to the members in proportion to their existing holdings of Shares as nearly as the circumstances admit. Such offer shall be made by notice in writing specifying the number of Shares offered and limited to a time within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time or, if earlier, on the receipt of a notice in writing from the person to whom the offer has been made that he declines to accept the Shares offered, the Directors may subject to these Articles dispose of the same in such manner as they think most beneficial to the Company
- 43 4 Sections 561 and 562 of the Act shall not apply to the Company

44 Payment of commissions on subscription for Shares

- 44 1 The Company may pay any person a commission in consideration for that person
- (a) subscribing, or agreeing to subscribe, for Shares, or
 - (b) procuring, or agreeing to procure, subscriptions for Shares.
- 44 2 Any such commission may be Paid.
- (a) in cash, or in Fully Paid or Partly Paid Shares or other securities, or partly in one way and partly in the other, and
 - (b) in respect of a conditional or an absolute subscription

Interests in Shares

45 Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these Articles, the Company is not in

any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it

46 Certificates to be issued except in certain cases

- 46 1 The Company must issue each member with one or more Certificates in respect of the Shares which he holds
- 46 2 Except as otherwise specified in these Articles, all Certificates must be issued free of charge
- 46 3 No Certificate may be issued in respect of Shares of more than one class
- 46 4 If more than one person holds a Share, only one Certificate may be issued in respect of it

47 Contents and execution of Share Certificates

- 47 1 Every Certificate must specify
 - (a) in respect of how many Shares, and of what class, it is issued,
 - (b) the nominal value of those Shares,
 - (c) the amount Paid up on them, and
 - (d) any distinguishing numbers assigned to them
- 47 2 Certificates must be executed in accordance with the Companies Acts

48 Consolidated Share Certificates

- 48 1 When a member's holding of Shares of a particular class increases, the Company may issue him with
 - (a) a single, consolidated Certificate in respect of all the Shares of a particular class which he holds, or
 - (b) a separate Certificate in respect of only those Shares by which his holding has increased
- 48 2 When a member's holding of Shares of a particular class is reduced, the Company must ensure that he is issued with one or more Certificates in respect of the number of Shares held by him after that reduction. The Company need not (in the absence of a request from him) issue any new Certificate if
 - (a) all the Shares which he no longer holds as a result of the reduction, and

(b) none of the Shares which he retains following the reduction,
were, immediately before the reduction, represented by the same Certificate

48 3 A member may request the Company, in Writing, to replace

- (a) his separate Certificates with a consolidated Certificate, or
- (b) his consolidated Certificate with two or more separate Certificates representing such proportion of the Shares as he may specify

48 4 When the Company complies with such a request it may charge such reasonable fee as the Directors may decide for doing so

48 5 A consolidated Certificate must not be issued unless any Certificates which it is to replace have first been returned to the Company for cancellation

49 Replacement Share Certificates

49 1 If a Certificate issued in respect of a member's Shares is damaged or defaced or said to be lost, stolen or destroyed, he is entitled to be issued with a replacement Certificate in respect of the same Shares

49 2 A member exercising the right to be issued with such a replacement Certificate

- (a) may at the same time exercise the right to be issued with a single Certificate or separate Certificates,
- (b) must return the Certificate which is to be replaced to the Company if it is damaged or defaced, and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

Partly Paid Shares

50 Company's Lien over Partly Paid Shares

50 1 Except in respect of any Shares held by a Trustee the Company has a lien (the 'Company's Lien') over every Share whether fully Paid or not for any part of

- (a) that Share's nominal value,
- (b) any premium at which it was issued, and
- (c) any other monies payable to the Company from the holder of that Share, whether registered as sole or joint holder,

which has not been Paid to the Company, and which is payable immediately or at some time in the future, whether or not (in the case of (a) or (b)) a Call Notice has been sent in respect of it

50 2 The Company's Lien over a Share

- (a) takes priority over any third party's interest in that Share, and
- (b) extends to any dividend or other money payable by the Company in respect of it and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of it

50 3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part

51 Enforcement of the Company's Lien

51 1 Subject to the provisions of this Article, the Directors may give to a member notice in Writing (a 'Lien Enforcement Notice') in respect of a Share or Shares held by such member and if he fails to comply with it, the Company may sell that Share or Shares in such manner as the Directors decide

51 2 A Lien Enforcement Notice

- (a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum payable within 14 days of the notice,
- (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, Bankruptcy or otherwise, and
- (e) must state the Company's intention to sell the Share if the notice is not complied with

51 3 Where Shares are sold under this Article

- (a) the Directors may authorise any person to execute an Instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and

- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 51 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
 - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice,
 - (b) second, to the person entitled to the Shares at the date of the sale, but only after the Certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost Certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable in respect of the Shares after the date of the Lien Enforcement Notice
- 51 5 A statutory declaration by a Director or the Company secretary (if any) that the declarant is a Director or the Company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date
 - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share

52 Call Notices

- 52 1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a '**Call Notice**') to a member requiring him to pay the Company a specified sum of money (a '**Call**') which is payable in respect of Shares which he holds at the date when the Directors decide to send the Call Notice
- 52 2 A Call Notice
 - (a) may not require a member to pay a Call which exceeds the total sum unpaid on his Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium),
 - (b) must state when and how any Call to which it relates it is to be Paid, and
 - (c) may permit or require the Call to be Paid by instalments

52 3 A member must comply with the requirements of a Call Notice, but is not obliged to pay any Call before 14 days have passed since the notice was sent

52 4 Before the Company has received any Call due under a Call Notice the Directors may

(a) revoke it wholly or in part, or

(b) specify a later time for payment than is specified in the notice,

by a further notice in Writing to the member in respect of whose Shares the Call is made

53 Liability to pay Calls

53 1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be Paid

53 2 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share

53 3 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them

(a) to pay Calls which are not the same, or

(b) to pay Calls at different times

54 When Call Notice need not be issued

54 1 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium)

(a) on allotment,

(b) on the occurrence of a particular event, or

(c) on a date fixed by or in accordance with the terms of issue

54 2 If the due date for payment of such a sum has passed and it has not been Paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

55 Failure to comply with Call Notice: automatic consequences

55 1 If a person is liable to pay a Call and fails to do so by the Call Payment Date

- (a) the Directors may issue a notice of intended forfeiture to that person, and
- (b) until the Call is Paid, that person must pay the Company interest on the Call from the Call Payment Date at the relevant rate

55 2 For the purposes of this Article

- (a) the '**Call Payment Date**' is the time when the Call Notice states that a Call is payable, unless the Directors give a notice specifying a later date, in which case the 'Call payment date' is that later date,
- (b) the '**relevant rate**' is
 - (1) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted,
 - (2) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Directors, or
 - (3) if no rate is fixed in either of these ways, five per cent per annum

55 3 The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

55 4 The Directors may waive any obligation to pay interest on a Call wholly or in part

56 **Notice of intended forfeiture**

A notice of intended forfeiture

- 56 1 may be sent in respect of any Share in respect of which a Call has not been Paid as required by a Call Notice,
- 56 2 must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, Bankruptcy or otherwise,
- 56 3 must require payment of the Call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- 56 4 must state how the payment is to be made, and
- 56 5 must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited

57 Directors' power to forfeit Shares

If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not Paid before the forfeiture

58 Effect of forfeiture

58 1 Subject to these Articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

58 2 Any Share which is forfeited in accordance with these Articles

- (a) is deemed to have been forfeited when the Directors decide that it is forfeited,
- (b) is deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit

58 3 If a person's Shares have been forfeited

- (a) the Company must send him notice that forfeiture has occurred and record it in the register of members,
- (b) he ceases to be a member in respect of those Shares,
- (c) he must surrender the Certificate for the Shares forfeited to the Company for cancellation,
- (d) he remains liable to the Company for all sums payable by him under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and
- (e) the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal

58 4 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit

59 Procedure following forfeiture

59 1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the Instrument of transfer

59.2 A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a Share has been forfeited on a specified date

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and

(b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share

59 3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is his title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share

59 4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which

(a) was, or would have become, payable, and

(b) had not, when that Share was forfeited, been Paid by him in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

60 Surrender of Shares

60 1 A member may surrender any Share

(a) in respect of which the Directors may issue a notice of intended forfeiture,

(b) which the Directors may forfeit, or

(c) which has been forfeited

60 2 The Directors may accept the surrender of any such Share

60 3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share

- 60 4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited

Transfer of Shares

61 Transfers of Shares – general provisions

- 61 1 Subject to Article 61 2, Shares shall not be transferable

- 61 2 Notwithstanding anything contained in these Articles, the Directors shall not decline to register any transfer of Shares where such transfer is executed in favour of the Security Trustee (or in favour of any Designated Nominee appointed by the Security Trustee) pursuant to the terms of the Debenture nor may the Directors suspend registration as a member of the Security Trustee (or in favour of any Designated Nominee appointed by the Security Trustee) to whom such Shares have been charged or mortgaged pursuant to the Debenture and provided always that

- (a) neither the Security Trustee nor the Designated Nominee shall have any right to transfer, sell, assign, discount, factor, charge or otherwise dispose of an interest in such Shares, and
- (b) upon the Secured Obligations being discharged in full and none of the Finance Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to any Obligor (as defined in the Facility Agreement) or any other person under any of the Finance Documents, the Security Trustee shall, (and shall procure that the Designated Nominee shall) at the request and cost of the Company, retransfer such Shares

A certificate by any official of the Security Trustee that the relevant Shares are charged or mortgaged shall be conclusive evidence of that fact

- 61 3 Notwithstanding anything contained in these Articles, other than Article 61 2

- (a) any pre-emption rights conferred on existing members by these Articles or otherwise shall not apply to any transfer of shares where such transfer is
 - (1) in favour of any bank or institution (or any nominee or nominees of such bank or institution) to whom such shares are being transferred by way of security, or
 - (2) duly executed by any such bank or institution (or any such nominee or nominees) to whom such shares shall (including any further shares in the Company acquired by reason of its holding of such shares) have been

transferred as aforesaid, pursuant to the power of sale under such security,
or

- (3) duly executed by a receiver appointed by a bank or institution pursuant to any security document which creates any security interest over such shares,

and a certificate by any official of such bank or institution or any such receiver that the shares are or are to be subject to such a security and that the transfer is executed in accordance with the provisions of this Article shall be conclusive evidence of such facts, and

- (b) any lien on shares which the Company has shall not apply in respect of any shares which have been charged by way of security to a bank or financial institution or a subsidiary of a bank or financial institution or which are transferred in accordance with the provisions of this Article

Fractions of Shares

62 Procedure for disposing of fractions of Shares

62 1 This Article applies where there has been a consolidation or division of Shares or a capitalisation pursuant to Article 71 and, as a result, members are entitled to fractions of Shares

62 2 The Directors may

- (a) sell the Shares representing the aggregated fractions to any person including the Company for the best price reasonably obtainable,
- (b) authorise any person to execute an Instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and
- (c) distribute the net proceeds of sale in due proportion among those entitled to the relevant fractions

62 3 Where any member's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, his portion may be distributed to an organisation which is a charity for the purposes of the laws of England and Wales, Scotland or Northern Ireland

62 4 A person to whom Shares are transferred is not obliged to ensure that any purchase money is received by persons entitled to the relevant fractions.

62 5 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the

process leading to their sale

Distributions

63 Procedure for declaring dividends

- 63 1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends
- 63 2 A dividend must not be declared unless the Directors have made a recommendation as to its amount and such dividend must not exceed the amount recommended
- 63 3 No dividend may be declared or paid unless it is in accordance with members' respective rights
- 63 4 Unless the members' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each member's holding of Shares on the date of the resolution or decision to declare or pay it
- 63 5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears
- 63 6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment
- 63 7 If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights

64 Calculation of dividends

Except as otherwise provided by these Articles or the rights attached to Shares or the terms on which they are issued, all dividends must be

- 64 1 declared and paid according to the amounts Paid up on the Shares on which the dividend is paid, and
- 64 2 apportioned and paid proportionately to the amounts Paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid

65 Payment of dividends and other distributions

Where a dividend or other sum which is a distribution is payable, it must be paid by one or more of the following means

- 65 1 transfer to a bank or building society account specified in Writing by the Distribution Recipient,
- 65 2 sending a cheque made payable to the Distribution Recipient by post to him at his registered address (if he is a holder of the Share), or (in any other case) to an address specified in Writing by the Distribution Recipient,
- 65 3 sending, by post, a cheque made payable to such person and to such address as the Distribution Recipient has specified in Writing, or
- 65 4 any other means of payment as the Directors agree with the Distribution Recipient in Writing

66 Deductions from distributions in respect of sums owed to the Company

- 66 1 If the Directors are entitled to issue a Lien Enforcement Notice in respect of a Share, they may instead deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they would be entitled to require payment under a Lien Enforcement Notice
- 66 2 Money so deducted must be used to pay any of the sums payable in respect of that Share
- 66 3 The Company must notify the Distribution Recipient in Writing of
 - (a) the fact and amount of any such deduction,
 - (b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction, and
 - (c) how the money deducted has been applied

67 No interest on distributions

The Distribution Recipient is not entitled to interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued or the provisions of another agreement between the holder of that Share and the Company

68 Unclaimed distributions

- 68 1 The Directors may invest or otherwise use for the benefit of the Company all dividends or other sums which are payable in respect of Shares and are unclaimed
- 68 2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it
- 68 3 If a Distribution Recipient has not claimed a dividend or other sum in the period of twelve years after it became due for payment he shall no longer be entitled to that dividend or other sum and it ceases to remain owing by the Company

69 Non-cash distributions

- 69 1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to satisfy all or part of a dividend or other distribution by transferring non-cash assets of equivalent value
- 69 2 For the purposes of satisfying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution
- (a) fixing the value of any assets,
 - (b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients, and
 - (c) vesting any assets in trustees

70 Waiver of distributions

Distribution Recipients may waive their entitlement to a dividend or other distribution by giving the Company notice in Writing to that effect, but if

- 70 1 the Share has more than one holder, or
- 70 2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share

Capitalisation of profits

71 Authority to capitalise and appropriation of capitalised sums

71 1 Subject to these Articles, the Directors may, if they are so authorised by an ordinary resolution

(a) decide to capitalise any profits of the Company (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and

(b) appropriate and apply any sum which they so decide to capitalise (a '**capitalised sum**') to and for the benefit of the persons who would have been entitled to it if it were distributed by way of dividend (the '**persons entitled**') and in the same proportions

71 2 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted, credited as Fully Paid to the persons entitled or as they may direct

71 3 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any amounts unpaid on existing Shares held by the persons entitled

PART 5 – Miscellaneous provisions

Communications

72 Means of communication to be used

72 1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company

72 2 Subject to these Articles, any Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such Documents for the time being

72 3 A Director may agree with the Company that Documents sent to that Director in a particular way are to be deemed to have been received within a specified time of being sent, and for the specified time to be less than 48 hours

73 Failure to notify contact details

73 1 If

- (a) in a period of 12 months commencing on the date on which the Company sends a Document to a member which is subsequently returned undelivered (or the Company receives notification that it has not been delivered), and
- (b) the Company sends one or more further Documents to that member and all such Documents are returned undelivered, or the Company receives notification that they have not been delivered,

that member ceases to be entitled to receive notices from the Company

73 2 A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company

- (a) a new address to be recorded in the register of members, or
- (b) if the member has agreed that the Company should use another means of communication, the information that the Company needs to use that means of communication effectively

Administrative arrangements

74 Company seals

74 1 Any common seal may only be used by the authority of the Directors

74 2 The Directors may decide by what means and in what form any common seal is to be used

74 3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a Document, the Document must also be signed by at least one authorised person in the presence of a witness who attests the signature

74 4 For the purposes of this Article, an authorised person is

- (a) any Director of the Company,
- (b) the Company secretary, if any, or
- (c) any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied

75 No right to inspect accounts and other records

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or Documents merely by virtue of being a member

76 Provision for employees on cessation of business

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

Directors' indemnity and insurance

77 Indemnity

77 1 Subject to Article 77 2, a Relevant Director may be indemnified out of the Company's assets against

- (a) any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to any member of the Group,
- (b) any liability incurred by him in connection with the activities of any member of the Group in its capacity as a trustee of an occupational pension scheme (as defined in s235(6) of the Act),
- (c) any other liability incurred by him as an officer of any member of the Group

77 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

78 Insurance

The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to any member of the Group or any pension fund or employees' share scheme of any member of the Group

Interpretation

79 Defined terms

79 1 In these Articles, unless the context requires otherwise

'Act'	the Companies Act 2006,
'Alternate'	has the meaning given in Article 26,
'Appointor'	has the meaning given in Article 26,
'Articles'	the Company's articles of association,
'Ascot Race Course'	the race course on which the Ascot Races are held and all lands stands enclosures buildings easements licences rights and hereditaments used in connection with or for the purposes of the Ascot Races,
'Ascot Races'	the races held yearly at Ascot in or about the month of June and any other races which may at any time or times be held on the Ascot Race Course,
'Auditors'	the auditors of the Company from time to time,
'Bankruptcy'	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
'Business Day'	a day (other than a Saturday or Sunday) on which banks are generally open for business in London,
'Call Notice'	has the meaning given in Article 52,
'Call'	has the meaning given in Article 52,
'Certificate'	a paper certificate (other than a share warrant) evidencing a person's title to specified Shares or other securities,
'Chairman of the Meeting'	has the meaning given in Article 31,
'Chairman'	has the meaning given in Article 12,

'Company'	Ascot Racecourse Limited,
'Companies Acts'	the Companies Acts (as defined in s2 Companies Act 2006), insofar as they apply to the Company,
'Company's Lien'	has the meaning given in Article 50,
'Conflict'	has the meaning given in Article 19 1,
'Connected'	in relation to a Director, has the meaning given to it in ss 252-255 of the Act;
'connected'	shall have the meaning set out in s839 Income and Corporation Taxes Act 1988,
'Debenture'	the debenture dated 9 February 2005 and made between (1) Ascot Authority (Holdings) Limited, the Company, Ascot Racecourse Estates Limited and Ascot Racecourse Estates (Property Developments) Limited and (2) the Security Trustee,
'Designated Nominee'	shall have the meaning given to that term in the Debenture,
'Director'	a director of the Company, and includes any person occupying the position of director, by whatever name called,
'Distribution Recipient'	in respect of a Share in respect of which a dividend or other sum is payable <ul style="list-style-type: none"> (a) the holder of the Share, or (b) if the Share has two or more joint holders, whichever of them is named first in the register of members, or (c) if the relevant member is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law,
'Document'	includes, unless otherwise specified, any document sent or supplied in electronic form,

'Fully Paid'	in relation to a Share, means that the nominal value and any premium to be Paid to the Company in respect of that Share have been Paid to the Company,
'Group'	the Company and any subsidiary or holding company of the Company and any other subsidiary of any such holding company,
'Instrument'	a Document in hard copy form,
'Lien Enforcement Notice'	has the meaning given in Article 51,
'Paid'	paid or credited as paid,
'Partly Paid'	in relation to a Share means that part of that Share's nominal value or any premium at which it was issued has not been Paid to the Company,
'Proxy Notice'	has the meaning given in Article 38,
'Relevant Director'	any Director or former Director of the Company or an associated company, and companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate,
'Secured Obligations'	shall have the meaning given to that term in the Debenture,
'Security Trustee'	shall have the meaning given to that term in the Debenture,
'Share' or 'Shares'	a share or shares in the Company,
'Special Majority'	Shares representing 75% or more of the issued share capital of the Company,
'Trustee'	a trustee of the Ascot Authority who holds shares for and on behalf of the Ascot Authority,
'Trustee Director'	a Director who is also a trustee of the Ascot Authority and references to a 'Director' or 'Directors' shall include a corresponding reference to 'Trustee Director' or 'Trustee Directors' save to the extent

that such construction would conflict with any of the express provisions of these Articles,

'Writing

the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

79 2 Unless the context otherwise requires

- (a) other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company,
- (b) use of the singular includes the plural and vice versa, and
- (c) use of any gender includes the other genders