

COMPANY NUMBER: 05422613  
COMPANY LIMITED BY GUARANTEE

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ARTICLES OF ASSOCIATION

OF

DIGITAL UK LIMITED<sup>1</sup>

(adopted by special resolution with effect from 2022)

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**COMPANY NUMBER: 05422613**

**COMPANY LIMITED BY GUARANTEE**

**AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**

**OF**

**DIGITAL UK LIMITED**

(adopted by special resolution with effect from .....2022)

## **1. Definitions and Interpretation**

### **1.1 Definitions**

In these Articles (if not inconsistent with the subject or context):

**"Act"** means the Companies Act 2006 as the same may be amended, extended, consolidated or re-enacted by or under any other enactment from time to time;

**"Articles"** means these articles of association, as from time to time altered and the expression **"these Articles"** shall be construed accordingly;

**"Auditors"** means the auditors of the Company from time to time;

**"Board"** means the board of Directors of the Company, as from time to time constituted;

**"Business Day"** means a day (other than a Saturday, Sunday or public holiday) when banks in the City of London are open for business;

**"Chair"** means the chair of the Board from time to time;

**"Change of Control"** means where a person (or persons acting in concert, within the meaning given to such term in The City Code on Takeovers and Mergers) who controls a Member ceases to do so and/or another person (or persons acting in concert) acquires control of that Member, and for these purposes a person has "control" of a Member if it has the power to direct the affairs of that Member (i) by means of holding (directly or

indirectly) over 50% (fifty per cent) of the total voting rights conferred by all issued shares in the capital of that Member which are ordinarily exercisable in general meetings , or the possession of voting power, in or in relation to that Member or any other body corporate; or (ii) as a result of any power conferred by the articles of association or any other document regulating that Member or any other body corporate or (iii) as a result of having the right to appoint or remove a majority of the main board of directors of that Member;

**“Chief Executive”** means the person appointed to the office of Chief Executive Officer of the Company from time to time;

**“clear days”** in relation to a period of notice means that period excluding the day when the notice is served or deemed to be served and the day for which it is given or on which it is to take effect;

**“Company”** means Digital UK Limited;

**“Director”** means a director of the Company from time to time;

**“Executive Director”** means a Director holding or appointed to hold any employment or executive office within the Company pursuant to Article 12.2;

**“Financial Year”** means a financial year of the Company from time to time, being at the date of adoption of these Articles 1 January to 31 December;

**“Group”** means in relation to a company: (i) that company; (ii) any holding company of that company, and (iii) any subsidiary of that company or of any such holding company;

**“Incentive Policy”** means any incentive policy of the Company set out in a document of the same name and approved by resolution of the Board (following recommendation from the Nominations and Remuneration Committee), as subsequently amended from time to time in accordance with Article 12.6, relating to the remuneration and incentivisation of Executive Directors and Senior Executives of the Company;

**“Initial Members”** means the members listed in Article 3.1.2 and “Initial Member” shall be construed accordingly;

**“Members”** means the Initial Members together with such additional members as may be admitted from time to time to the Company pursuant to the provisions of Article 3 and **“Member”** shall be construed accordingly;

**“Member’s Representative”** means such individual as each Member which is not an individual shall appoint pursuant to Article 4 to act as its representative at general meetings of the Company;

**“Model Articles”** means the model articles for private companies limited by guarantee as set out at Schedule 2 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229);

**“National Multiplex Licence”** means a multiplex licence issued by the Office of Communications for a multiplex of services broadcast and actually capable of reception by 80% (eighty per cent) or more of households in the United Kingdom;

**“Nominations and Remuneration Committee”** means the committee of the Board responsible for nominating and assessing potential Executive Directors and determining matters related to the remuneration and incentivisation of Executive Directors and Senior Executives of the Company;

**“Nominations and Remuneration Committee Terms of Reference”** means any terms of reference of the Nominations and Remuneration Committee of the Board set out in a document titled “Terms of Reference for the Nominations and Remuneration Committee of the Board” and approved by resolution of the Board;

**“Non-Executive Director”** means a Director, other than an Executive Director;

**“Office”** means the registered office from time to time of the Company;

**“PSB”** means a public service broadcaster;

**“Representative Director”** has the meaning set out in Article 12.1.1;

**“seal”** means any common or official seal that the Company may be permitted to have under the Act;

**“Secretary”** means the secretary, or (if there are joint secretaries) any one of the joint secretaries, of the Company and includes an assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary;

**“Senior Executive”** means an employee of the Company or any of its subsidiaries identified as a Senior Executive in the Incentive Policy;

**“Table C”** means the regulations contained in Table C to the Companies Act 1985 being the version in force from 1 October 2009 including the amendments made by The Companies (Tables A to F) (Amendment) Regulations 2007; and

**“United Kingdom”** means the United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man.

1.2 Same meanings as in the Act

Save as provided in Article 1.1 and unless the context or subject otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act.

1.3 Statutory modification

In these Articles, unless expressly provided to the contrary, a reference to any statute or provision of a statute includes a reference to any statutory modification or re-enactment of it and to any subordinate legislation made under it in each case for the time being in force (whether coming into force before or after the adoption of these Articles).

1.4 Number and gender

In these Articles, unless the context otherwise requires:

1.4.1 words in the singular include the plural, and vice versa; and

1.4.2 words importing any gender include all genders.

1.5 Miscellaneous interpretation

In these Articles:

1.5.1 references to “writing” include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and (but only to the extent that (a) the Board so resolves either generally or in relation to particular categories of document, and (b) the recipient (if not the Company) has requested or agreed) electronic communication;

1.5.2 references to “executed” include any mode of execution;

1.5.3 references to “other” and “otherwise” shall not be construed ejusdem generis where a wider construction is possible;

1.5.4 references to a “power” are to a power of any kind, whether administrative, discretionary or otherwise;

1.5.5 references to a “committee” of the Directors are to a committee established in accordance with these Articles, whether or not comprised wholly of Directors;

1.5.6 references to the word “include” or “including” shall be construed without limitation;

- 1.5.7 references to “company” include any body corporate;
- 1.5.8 references to a “person” includes a reference to an individual, a body corporate and to an unincorporated body of persons;
- 1.5.9 references to an “officer” shall include a Director, manager and the Secretary, but shall not include an auditor; and
- 1.5.10 references to a “members’ meeting” shall include both a general meeting of the Company and a meeting of any class of Members.
- 1.5.11 in the event any time period or any date provided in these Articles ends or falls on a day other than a Business Day, then such time period shall be deemed to end and such date shall be deemed to fall on the next succeeding Business Day, and performance herein may be made on such Business Day, with the same force and effect as if made on such other day.

## 1.6 Electronic Communication

- 1.6.1 The expressions “communication” and “electronic communication” shall have the same respective meanings as in the Electronic Communications Act 2000, the latter including, without limitation, e-mail, facsimile, CD-Rom, audio tape and telephone transmission and (in the case of electronic communication by the Company in accordance with Article 25.1) publication on a web site.
- 1.6.2 The expression “address” shall include, in relation to electronic communication, any number or address used for the purposes of such communication.

## 1.7 Schedules

The schedules shall form part of these Articles and shall have effect as if set out in full in the body of these Articles and any reference to these Articles shall include the schedules.

## 1.8 Headings

Headings are inserted for convenience only and do not affect the construction of these Articles.

## 2. Exclusion of Table C and the Model Articles

No regulations set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the Company.



### **3. Appointment, Removal and Resignation of Members**

#### **3.1 Composition of membership**

3.1.1 Subject to Article 3.4.1, any person approved by the Members shall be admitted as a Member.

3.1.2 The following persons are the Initial Members:

British Broadcasting Corporation;

ITV Network Limited;

Channel Four Television Corporation; and

Channel 5 Broadcasting Limited.

#### **3.2 Number of Members**

Subject to Article 3.4.4 there shall be no minimum or maximum number of Members.

#### **3.3 Register of Members**

The Board shall ensure that a register of the names of Members is available for public inspection.

#### **3.4 Membership Policy**

3.4.1 All Members other than the Initial Members set out in Article 3.1 shall be admitted in accordance with this Article 3.4.

3.4.2 The process for the selection and admission of Members in accordance with this Article 3.4 will be supervised by the Board and the decision to admit a new Member (including, for the avoidance of doubt, whether such admission shall be conditional as contemplated by Article 3.4.5) shall be subject to unanimous approval by the Members following the application of the criteria set out in Article 3.4.3.

3.4.3 At the date of these Articles, the criteria to be satisfied in order to be eligible for membership of the Company are that:

(a) the person applying shall either:

(i) be a national PSB in the United Kingdom; or

- (ii) hold a National Multiplex Licence; or
  - (iii) have at least a 50% (fifty per cent) equity and voting stake in a company which holds a National Multiplex Licence; and
- (b) in the opinion of the Members the person applying can demonstrate that:
  - (i) it has a legitimate commercial or other interest in being admitted as a Member; and
  - (ii) its own objectives are aligned to those of the Company; and
  - (iii) it can meet the financial obligations of membership of the Company.

3.4.4 Notwithstanding Article 3.4.3, the Members shall not consider any applications for membership of the Company where they reasonably determine that the addition of a new Member to the Company would undermine the operational efficiency or viability of the Company or its operations.

3.4.5 As a condition of its admission as a Member, a new Member may be required to pay to the Company an appropriately allocated share of any historical capital expenditure and/or any other multi-year costs (for example cost relating to an IP delivered TV service) of the Company in such amount as may be determined by the majority of the existing Members. As a result of any such payment being made, the existing Members (excluding the new Member) may receive a rebate of contributions made or a credit against future contributions as determined at such time by the existing Members (excluding the new Member).

### 3.5 Resignation and removal of Members

3.5.1 Any Member may voluntarily resign as a Member by giving notice in writing to the Company no later than 31 December in any Financial Year, such termination to take effect at the end of the then following Financial Year, at which time the resignation shall be recorded in the Register of Members of the Company, provided that no Initial Member may voluntarily resign with effect on or before 31 December 2023. A Member which resigns shall remain liable to pay all financial contributions due prior to termination of its membership.

3.5.2 Any Member shall automatically cease to be a Member if:

- (a) it enters into or resolves to enter into any arrangement, composition or compromise with or assignment for the benefit of its creditors or any class of them;

- (b) it is unable to pay its debts when they are due or is deemed under any statutory provision to be insolvent;
- (c) a liquidator or provisional liquidator is appointed to it or an administrator, a receiver, a receiver and manager, trustee or similar official is appointed over any of its assets or undertakings or any resolution is passed to appoint any such person; or
- (d) an application or order is made or a resolution is passed for its winding up, other than a members' winding up solely for the purpose of amalgamation or reconstruction.

3.5.3 The Board may terminate the membership of any Member, by written notice to such Member given at such address as the Company has registered as the address of such Member, if, each of the other Members has notified the Board in writing that, in the reasonable opinion of such other Member, the Member in question has materially and/or persistently failed to observe, or act in accordance with, these Articles or who has provided materially inaccurate or misleading information to the Company in connection with the Member in question's application for membership of the Company, provided that if such failure is capable of remedy the Board shall not be entitled to terminate such Member's membership unless the Member has not remedied the failure within thirty (30) days of notice from the Board calling upon it to do so. Subject to Article 3.5.6, any such termination shall take effect from such time as is specified in any such notice.

3.5.4 The Board may terminate the membership of any Member, by written notice to such Member, given at such address as the Company has registered as the address of such Member, if, each of the other Members has notified the Board in writing that, in the reasonable opinion of such other Member the Member in question: (a) is convicted of a criminal offence of a nature which makes the Member in question no longer a suitable person to be a Member, (b) has been guilty of any act, practice or conduct which brings the Company into disrepute or where the Board reasonably considers that the continued membership of that Member is against the interests of the majority of the Company's Members or (c) ceases to qualify for membership under the criteria set out in these Articles. Subject to Article 3.5.6, any such termination shall take effect from such time as is specified in any such notice.

3.5.5 If a Member undergoes a Change of Control which one or more of the other Members reasonably believes would materially inhibit the affected Member's ability to act in line with the objectives of the Company and its Group, then the Board, by written notice to the Member in question, will terminate such affected Member's membership, unless the non-affected Members unanimously vote in favour of the affected Member continuing to have membership of the Company. Subject to Article 3.5.6, any such termination shall take effect from such time as is specified in any such notice.

- 3.5.6 If a Member undergoes a Change of Control (a **"Transferred Member"**) and the new Controlling Party of the Transferred Member is (a) an existing Member or (b) a company in the same Group as an existing Member, then the Transferred Member will have its Membership terminated with effect from the date of the Change of Control.
- 3.5.7 In the event that written notice is given to a Member pursuant to Article 3.5.3, 3.5.4 or 3.5.5, the affected Member shall be entitled to make one set of written representations to the other Members within fourteen (14) days of receipt of the written notice from the Board. Following the non-affected Members' receipt of such representations the termination shall take effect from such time as is specified in the termination notice of the Board unless the non-affected Members unanimously vote in favour of the affected Member continuing to have membership of the Company. The Members shall consider any such representations in good faith.

#### **4. Members' Representatives**

Each Member which is not an individual may authorise such individual as it thinks fit to act as its representative (a **"Member's Representative"**) at any Members' meeting, in the manner provided in section 323 of the Act and section 323 of the Act shall apply mutatis mutandis to any Member which is neither a corporation nor an individual as though such Member were a corporation. Such Member's Representative shall be entitled to exercise the same powers on behalf of the Member in question as that Member could exercise if it were an individual and such Member shall for the purposes of these Articles be deemed to be present in person at any meeting where that Member's duly authorised Member's Representative is present. Each Representative Director is authorised to act as the Member's Representative of that Member.

#### **5. Membership not transferable**

- 5.1 Admission to membership is personal and, without prejudice to Article 5.2, shall not be transferable by the act of a Member or by operation of law.
- 5.2 If a Member (the **"Original Member"**) wishes to transfer its membership to another member of its Group, the other Members agree to accept the termination of the Original Member's membership of the Company and the admission of the Group member of the Original Member in their place provided that that Group member of the Original Member (a) has satisfied the conditions in Article 3.4.3; and (b) where appropriate, has agreed to assume all outstanding obligations of the Original Member. If the new Member ceases to be part of the Group of the Original Member, then the new Member shall take steps to terminate its membership and the other Members agree to re-admit the Original Member subject to the conditions in Article 3.4.3 and the Original Member agrees to such re-admission.

## **6. Expenses**

No Member shall be entitled to receive any fees or other payment from the Company for acting as a Member. The Board may, however, determine at its absolute discretion to reimburse reasonable expenses incurred by Members in fulfilling their duties as Members or in acting on behalf of the Company.

## **7. General Meetings**

### **7.1 Extraordinary General Meetings**

Any general meeting of the Company shall be called an Extraordinary General Meeting.

### **7.2 Convening of Extraordinary General Meetings**

The Board may, whenever it thinks fit, and shall on requisition in accordance with the Act, proceed with proper expedition to convene an Extraordinary General Meeting.

## **8. Notice of general meetings**

### **8.1 Length of notice**

8.1.1 Any Extraordinary General Meeting shall be convened by not less than fourteen (14) clear days' notice in writing. Notice of every Extraordinary General Meeting shall be given to all Members and to the Directors.

8.1.2 Notwithstanding that an Extraordinary General Meeting of the Company is convened by shorter notice than that specified in this Article, it shall be deemed to have been properly convened if it is so agreed by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together representing not less than ninety (90) per cent. of the total voting rights at that meeting of all the Members.

### **8.2 Contents of notice of general meetings**

8.2.1 Every notice calling a general meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.

8.2.2 The notice shall specify the general nature of the business to be transacted at the meeting; and if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.

### 8.3 Postponement of general meetings

If the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting, it may change the place of or postpone the general meeting or do both of these things by giving notice of such postponement not less than three (3) clear days before the date previously specified for that meeting. Such notice shall specify the date, time and place of the postponed meeting. Notice of the business to be transacted at such postponed meeting shall not be required. If a meeting is rearranged in this way, proxies may be appointed in accordance with Article 11 until not less than 24 hours before the time appointed for holding the re-arranged meeting. The Board may also change the place of or postpone the re-arranged meeting, or do both, under and subject to the provisions of this Article.

## 9. Proceedings at general meetings

### 9.1 Quorum

9.1.1 No business other than the appointment of a chair for the meeting shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. The quorum for all purposes shall be all of the Members for the time being present in person or by their Member's Representatives or by proxy.

9.1.2 If within fifteen (15) minutes after the time appointed for the commencement of the meeting (or such longer interval as the chair of the meeting may think fit to allow) a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to such day, time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chair of the meeting may decide. If at any meeting which has been so adjourned a quorum is not present within fifteen (15) minutes of the time appointed for the commencement of the adjourned meeting, the meeting shall again stand adjourned to such day, time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chair of the meeting may decide. If at the second adjourned meeting a quorum is not present within fifteen (15) minutes of the time appointed for the commencement of the adjourned meeting, the members present shall be a quorum.

### 9.2 Chair of general meeting

The Chair shall preside as chair at every general meeting. If there is no such Chair, or if at any meeting he is not present within fifteen (15) minutes after the time appointed for the commencement of the meeting, or if the Chair is not willing to act, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chair of the meeting if willing to act. If no Director is present, or if each of the Directors

present declines to take the chair, the Members present and entitled to vote shall appoint one of their number to be chair of the meeting. Where the Chair acts as chair of a general meeting in accordance with this Article, he shall not be entitled to vote at such meeting.

### 9.3 Rights to attend and speak

9.3.1 A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting of the Company.

9.3.2 The Chair and, if a different person, the chair of the general meeting in question may invite any person to attend and/or speak at any general meeting of the Company whom the Chair or chair considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

### 9.4 Adjournments

The chair of any general meeting may at any time with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors.

### 9.5 Notice of adjournment

When a meeting is adjourned for fourteen (14) days or more or sine die, at least seven (7) clear days' notice of the adjourned meeting shall be given in accordance, mutatis mutandis, with Articles 8.1 and 8.2. Except where these Articles otherwise require, it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

### 9.6 Amendments to resolutions

If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chair of the meeting the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

### 9.7 Orderly Conduct

The chair of any general meeting may take any action he considers appropriate to promote the proper and orderly conduct of the meeting or for the purpose of ensuring that

the meeting reflects the wishes of the majority and the chair's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such a nature.

#### 9.8 Security Arrangements

The Board may direct that persons wishing to attend any general meeting should submit to such searches and other security arrangements or restrictions as the Board shall consider appropriate in the circumstances. The Board shall be entitled, in its absolute discretion, to authorise one or more persons who shall include a Director or the Secretary or the chair of the meeting to refuse entry to, or eject from, such general meeting any person who fails to submit to such searches.

### 10. Voting

#### Votes of Members

#### 10.1 Every Member shall have one vote.

#### 10.2 Where any Member (a "**Defaulting Member**") fails to contribute to the agreed funding of the Company within forty five (45) days of its due date such Defaulting Member shall be notified thereof by the Company in writing and shall be given a further period of thirty (30) days within which to remedy the default (the "**Remedy Period**"). If the Defaulting Member remains in default following expiry of the Remedy Period then the Board may resolve to suspend the Defaulting Member's voting rights (the Defaulting Member's Representative Director(s) having no entitlement to be part of the quorum of vote through their membership of the Board in respect of the same). In the event of the suspension of a Defaulting Member's voting rights, neither a Defaulting Member nor its Representative Director(s) shall be required to be counted for the purposes of ascertaining whether a quorum is present at a general meeting of the Company or at a meeting of the Board.

#### 10.3 Every Member who is present in person or by its Member's Representative or by proxy at a general meeting of the Company shall be entitled to exercise that Member's voting rights (subject to Article 10.2) at that meeting.

#### 10.4 Casting vote

In the case of an equality of votes at a general meeting, the chair of such meeting shall not be entitled to an additional or casting vote in addition to any other vote he may have.

#### 10.5 Objections or errors in voting



10.5.1 No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chair of the meeting whose decision shall be final and conclusive.

10.5.2 A declaration by the chair of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

## 10.6 Right of Appeal

In the event a vote is carried against the wishes of any Member (such Member having voted against the resolution in question) and that Member reasonably believes the implementation of the subject matter of the vote in question would have a materially prejudicial effect on the commercial interests of that Member that Member shall be entitled within a period of seven (7) days of the date the vote was carried by written notice to the Company to call for a further vote on the resolution previously carried. Following such request, the Board shall proceed to convene a further general meeting on at least seven (7) clear days' notice in accordance, mutatis mutandis, with Article 8.2. For the avoidance of doubt, the result of any vote taken at such further general meeting on the same subject matter as the resolution previously carried shall, in the absence of manifest error, be final and binding on the Members.

## 11. Proxies

### 11.1 Form of proxy

The appointment of a proxy must be in writing in any usual or common form or in any other form which the Board may approve and in the case of a corporation or any other Member which is not an individual must be either given under its seal or be signed on its behalf by an attorney or a duly authorised officer or comply with Article 24.

The signature on such appointment need not be witnessed. Where the appointment of a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Board must (failing previous registration with the Company) be submitted to the Company, failing which the appointment may be treated as invalid.

### 11.2 Deposit of appointment of proxy

The appointment of a proxy must be received at such address or one of such addresses (if any) as may be specified for that purpose in or by way of note to or in any document

accompanying the notice convening the meeting (or, if no address is so specified, must be left at the Office) not less than forty eight (48) hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The appointment shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An appointment relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates. When two or more valid but differing proxy appointments are received in respect of the same Member for use at the same meeting, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that Member; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that Member. Deposit of a proxy appointment shall not preclude a Member from attending and voting in person at the meeting or poll concerned.

#### 11.3 Rights of proxy

A proxy shall have the right to demand or join in demanding a poll and to speak at the meeting.

#### 11.4 Cancellation of proxy's authority

A vote cast or demand for a poll made by a proxy shall be valid notwithstanding the previous revocation of the appointment of the proxy or of the authority under which the appointment was made, unless notice in writing of the revocation was received by the Company at the Office (or such other address as was specified for the deposit of appointments of proxy in the notice convening the meeting or other accompanying document) at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time for the taking of the poll at which the vote is cast.

### 12. Directors

#### 12.1 Appointment and removal of Directors

- 12.1.1 Subject to Article 12.4.1, each Member shall be entitled from time to time to appoint up to two (2) individuals as Directors and to remove any individuals so appointed from office. Any Director appointed by a Member pursuant to this Article shall be known as a **"Representative Director"**.

12.1.2 Any appointment or removal of a Director under Article 12.1.1 shall be made by notice sent to the Office signed by or on behalf of the relevant Member. Any such notice shall take effect when received or at any later time specified in the notice.

12.1.3 Any Member ceasing to be a Member shall take all such steps as shall be required to remove any Representative Director appointed by it pursuant to Article 12.1.1 and any appointee(s) to any committee of the Board.

## 12.2 Appointment of Executive Directors

12.2.1 The Board may from time to time appoint such persons (including Directors) as have been nominated for election to executive office by the Nominations and Remuneration Committee to be the holder of such executive office on such terms and for such period as it may (subject to the provisions of the Act) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment. Any such persons appointed shall, if they were not Directors at the time of their appointment, become Directors upon their appointment.

12.2.2 The employment contracts of the Chair and Chief Executive shall provide that the appointment to the office of Chair or Chief Executive (as appropriate) shall automatically terminate if that individual ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

12.2.3 The appointment of any Director to any other executive office shall not automatically terminate if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such termination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

## 12.3 Powers of Executive Directors

The Board may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as the Board upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

## 12.4 Vacation of office

12.4.1 Without prejudice to any other provision contained in these Articles, the office of a Director shall be vacated in any of the following events, namely:

- (a) if he shall become prohibited by law from acting as a Director;

- (b) if he shall have a bankruptcy order made against him or shall compound with his creditors generally or shall apply to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act or if anything equivalent thereto in any jurisdiction applicable to him shall occur;
- (c) if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- (d) in the case of an Executive Director, he ceases to be an employee of the Company;
- (e) if he is removed from office under section 168 of the Act; or
- (f) if he shall be removed as a Director by the Member who appointed him or if the person who appointed him ceases to be a Member.

12.4.2 If the office of a Director is vacated for any reason, the Director in question shall cease to be a member of any committee or sub-committee of the Board including, without limitation, the Nominations and Remuneration Committee.

## 12.5 Chair

The Chair shall be an individual appointed from outside and independent from the Member organisations on such terms as the Board may approve based on a nomination by the Nominations and Remuneration Committee.

## 12.6 Nominations and Remuneration Committee

12.6.1 The Nominations and Remuneration Committee shall be a committee of the Board responsible for nominating persons for appointment as Chair and Chief Executive of the Company and other Executive Directors (excluding Representative Directors who shall be appointed in accordance with Article 12.1.1) and for determining, in accordance with the Incentive Policy and the Nominations and Remuneration Committee Terms of Reference, all matters concerning the remuneration (including, but not limited to, benefits by way of gratuities, pensions and other superannuation benefits) and incentivisation of Executive Directors and Senior Executives of the Company. The Nominations and Remuneration Committee shall make recommendations for appointment of Chair and Chief Executive of the Company and other Executive Directors (excluding Representative Directors) to the Members and appointment will require all Members to vote in favour.

- 12.6.2 Each Member shall be entitled to appoint one Representative Director to the Nominations and Remunerations Committee. The number of members of the Nominations and Remunerations Committee shall not be less than two. Each member of the Nominations and Remuneration Committee shall have one vote and decisions shall be made on a simple majority basis. All other terms of reference and regulations relating to the Nominations and Remuneration Committee shall be determined by the Board in its absolute discretion.
- 12.6.3 The Nominations and Remuneration Committee Terms of Reference and the Incentive Policy shall be determined by the Board. The Nominations and Remuneration Committee shall be responsible for preparing the Nominations and Remuneration Committee Terms of Reference and the Incentive Policy and submitting them to the Board for approval.
- 12.6.4 Alternate directors of members of the Nominations and Remuneration Committee may attend meetings of the Nominations and Remuneration Committee and perform the functions of their appointors at such meetings in accordance with Article 13.5.

### **13. Alternate Directors**

#### **13.1 Appointment and removal**

Any Representative Director (other than an alternate director) may from time to time appoint any person (including another Director) to be an alternate director of the Company and may at any time remove any alternate director so appointed by him from office, and appoint another person approved as aforesaid in his place.

#### **13.2 Notice of appointment or removal**

Any such appointment or removal shall be by notice to the Company signed by the Representative Director making or revoking the appointment and shall take effect upon receipt by the Company or at any later date specified in the notice.

#### **13.3 Cessation of appointment**

An alternate director shall ipso facto cease to be an alternate director if his appointor ceases for any reason to be a Director or on the happening of any event which if he were a Director would cause him to vacate such office.

#### **13.4 Functions of Alternate Director**

An alternate director shall (except when absent from the United Kingdom and subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of Directors, and to attend, to

be counted in the quorum for and to vote as a Director (with the same designation as the Representative Director appointing him) at any such meeting at which the Representative Director appointing him is not personally present and generally to perform all functions of his appointor as a Director in the absence of such appointor and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director.

#### 13.5 Voting rights cumulative

An alternate director shall have additional voting rights at meetings of the Board for each Representative Director for whom he acts as alternate but he shall only count as one person for the purpose of determining whether a quorum is present. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability his signature to any resolution of the Board shall be as effective as the signature of his appointor. The provisions of Articles 13.4 and 13.5 shall also apply mutatis mutandis to any meeting of the Nominations and Remuneration Committee if the alternate director is a Non-Executive Director and his appointor is a member of such committees. To such extent as the Board may from time to time determine in relation to any committees of the Board other than the Nominations and Remuneration Committee the provisions of Articles 13.4 and 13.5 shall also apply mutatis mutandis to any meeting of any such committees of which his appointor is a member.

#### 13.6 Alternate Director responsible for own acts

An alternate director shall be deemed to be an officer of the Company and shall alone be responsible for his own acts and defaults and the Representative Director so appointing him shall not be responsible for the acts and defaults of an alternate director so appointed.

#### 13.7 Remuneration and benefits

The remuneration of any such alternate director shall be payable out of the remuneration payable to the Representative Director appointing him and shall consist of such part (if any) of the aforementioned remuneration as may be agreed between the alternate director and the Representative Director appointing him. An alternate director shall be entitled to contract and be interested and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration.

#### 13.8 Power to act

Save as otherwise provided in these Articles, an alternate director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

#### **14. Remuneration, Expenses and Pensions**

##### **14.1 Directors' fees**

14.1.1 The ordinary remuneration of the Non-Executive Directors shall from time to time be determined by the Board in its absolute discretion.

14.1.2 No Executive Director (including any Representative Director or other Director) shall be entitled to receive a fee or any other form of remuneration in respect of the performance of his ordinary duties as a Director.

##### **14.2 Additional remuneration of Directors**

Any Executive Director or any Director who performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Nominations and Remuneration Committee (in the case of Executive Directors) or the Board (in the case of Non-Executive Directors) may determine.

##### **14.3 Expenses**

Each Director may be repaid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings of the Company or any other meeting which as a Director he is entitled to attend and shall be repaid all other costs and expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

##### **14.4 Pensions and gratuities for Directors**

Subject to Article 12.6, the Board shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pension or other benefits to contribute to any scheme or fund or to pay premiums. No Director or ex-Director shall be accountable to the Company or the Members for any benefit provided pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director.

## **15. Directors' Interests**

### **15.1 Directors may have interests**

Subject to the provisions of the Act and provided that he has disclosed to the Board the nature and extent of any interest of his, a Director notwithstanding his office:

- 15.1.1 may be party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;
- 15.1.2 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- 15.1.3 may (or any firm of which he is a partner, employee or member may) act in a professional capacity for the Company (other than as Auditor) and be remunerated therefor; and
- 15.1.4 shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate or for such remuneration and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

### **15.2 Permitted Interests and Voting**

In the event a Director is prohibited from voting pursuant to the operation of Article 15.2.6 the Member which that Director represents will similarly be prohibited from voting in relation to the same subject matter at any general meeting of the Company.

Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest and, if he shall do so, his vote shall not be counted. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is not entitled to vote. Subject to the provisions of the Act and without prejudice to Article 15.3, a Director shall (in the absence of some other material interest than those indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:

- 15.2.1 any proposal concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors and employees of the Company and does not provide, in respect of any Director as such, any privilege or advantage not generally accorded to the employees to which the fund or scheme relates;



- 15.2.2 any proposal relating to an arrangement for the benefit of employees of the Company under which he benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or advantage not generally accorded to the employees to whom the contract relates;
- 15.2.3 any proposal concerning the purchase or maintenance for any Director or Directors or persons who include Directors of insurance against any liability;
- 15.2.4 the giving of any security, guarantee or indemnity in respect of (i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or (ii) a debt or other obligation of the Company for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- 15.2.5 any proposal concerning any body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him within the meaning of section 252 of the Act) does not have an interest (as that term is used in Part 22 of the Act) in one per cent. or more of the issued equity share capital of any class of such body corporate (or of any other company through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances); and
- 15.2.6 any proposal in which the Member which has appointed him has any material interest provided that (i) the interest is declared by the Director concerned or raised by any other Director at the meeting at which the resolution is voted upon, prior to such vote being taken and (ii) there has been no reasonable objection raised to that Director voting and being counted in the quorum by any other Director present or by any Member prior to the vote being taken. For the purposes of this Article 15.2.6 an objection raised pursuant to (ii) above will be deemed to be reasonable only where the Director or Member raising the objection can demonstrate that to allow the Director concerned to participate in the vote in question would contravene a provision of European Union or United Kingdom competition law (including, without limitation, the State Aid rules).

### 15.3 Directors' appointments

A Director shall not vote on or be counted in the quorum in relation to any resolution of the Board concerning his own appointment, or the settlement or variation of its terms or its termination, as the holder of any office or place of profit with the Company or any other body corporate in which the Company is interested. Where proposals for any such matter are under consideration in respect of two or more Directors, a separate resolution may be put to the Board in relation to each Director. In that case, each of the Directors concerned shall (if not debarred under Article 15.2 above) be entitled to vote and be counted in the

quorum in respect of each resolution unless it concerns his own appointment or the settlement, variation or termination of his own appointment.

#### 15.4 Determination of entitlement to vote

If any question shall arise at any meeting of the Board as to the entitlement of any Director (other than the chair of the meeting) to vote or be counted in the quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be referred to the chair of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of such Director (so far as it is known to him) has not been fairly disclosed to the Board. If any question shall arise in respect of the chair of the meeting, the question shall be decided by a resolution of the Board (for which purpose the chair shall be counted in the quorum but shall not vote on the matter) and the resolution shall be conclusive except in a case where the nature or extent of the interest of the chair (so far as it is known to him) has not been fairly disclosed to the Board.

#### 15.5 Declaration of interests

A Director who to his knowledge is in any way, whether directly or indirectly, interested in any contract, transaction, arrangement or any other proposal with the Company shall declare the nature and extent of his interest at the meeting of the Board at which the question of entering into the contract, transaction, arrangement or proposal is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article 15, a general notice to the Board by the Director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract, transaction, arrangement or proposal which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract, transaction, arrangement or proposal which may after the date of the notice be made with a specified person or class of persons, or in which a specified person or class of persons is interested, shall be deemed to be a sufficient declaration of interest under this Article 15 in relation to any such contract, transaction, arrangement or proposal; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

#### 15.6 Interpretation

For the purposes of this Article 15:

15.6.1 an interest (whether his own or of a person connected with him) of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

15.6.2 an interest of a person who is connected (within the meaning of section 252 of the Act) with a Director shall be treated as an interest of the Director.

#### 15.7 Directors' benefits

Subject to the provisions of the Act and to the appropriate declaration being made by him pursuant to Article 15.5, no Director or proposed Director shall be disqualified by his office from contracting with the Company with regard to his tenure of, or termination of, any office or place of profit with the Company, nor shall he be required to account to the Company or the Members for any remuneration or other benefits received by him pursuant to such contract.

#### 15.8 Suspension by ordinary resolutions

Subject to the provisions of the Act, the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any contract not properly authorised by reason of a contravention of this Article.

#### 15.9 Directors' Interests (Pre-authorised Situational Conflicts)

15.9.1 For the purposes of sections 175 and 180(4) of the Act and for all other purposes, it is acknowledged that a Director may be or become subject to a conflict of interest as a result of:

(a) his being nominated or appointed as Director by a person under Article 12.1.1;

(b) his being or having been, or being party to an agreement or arrangement or understanding under which he is or may become, an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or a direct or indirect investor in and/or otherwise commercially involved with or economically interested in a member or a group company of a member (as the case may be); and/or

(c) being a director or other officer of, or employed by or a member of, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested.

15.9.2 In connection with any conflict of interest referred to or envisaged under Article 15.9.1 above, the following shall apply in respect of the relevant Director (provided that in the

case of a conflict of interest arising in connection with an agreement or arrangement referred to in Article 15.9.1(b) above, the existence of such agreement or arrangement has first been disclosed in writing to the Company or at a meeting of the Board):

- (a) any breach or infringement of section 175 of the Act arising by virtue of such conflict of interest is hereby authorised;
- (b) he shall be entitled to receive any papers or other documents (including any Board papers) in relation to, or concerning, matters to which the conflict of interest relates;
- (c) he shall not be excluded from those parts of meetings of the Board or meetings of a committee of the Board at which matters are discussed relating to the conflict of interest;
- (d) he shall, subject to the other provisions of these Articles, be entitled to vote and form a part of the quorum at any such meeting;
- (e) he shall be entitled to keep confidential and not disclose to the Company any information which comes into his possession as a result of such conflict of interest situation where such information is confidential as regards any third party; and
- (f) save as may otherwise be agreed in writing between the relevant Director and the Company, he shall not be held accountable to the Company for any benefit he derives directly or indirectly from his involvement with any person or entity referred to in Article 15.9.1 above, and no contract relating to the Company shall be liable to be avoided on the grounds of any such profit or benefit, nor shall the receipt of any such remuneration, profit or other benefit constitute a breach of section 176 of the Act.

## **16. Powers and Duties of the Board**

### **16.1 General powers of Company vested in the Board**

16.1.1 Subject to the provisions of the Act and these Articles, the business and affairs of the Company shall be managed by the Board which may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in a general meeting whether relating to the management of the business of the Company or not.

16.1.2 No alteration of these Articles shall invalidate any prior act of the Board which would have been valid if that alteration had not been made. The general powers given by this Article shall not be limited by any special power given to the Board by any other Article and shall not be subject to any directions given by the Company in general meeting (including, without limitation by special, extraordinary or ordinary resolution).

#### 16.2 Appointment of Attorney

The Board may from time to time and at any time appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) for such period and subject to such conditions as they may think fit, and any such appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

#### 16.3 Delegation to individual Directors

Save for the powers, authorities and discretions exercisable by the Nominations and Remuneration Committee which may not be delegated to other committees (or to individual Directors), the Board may entrust to and confer upon any Director any of its powers, authorities and discretions (with power to sub-delegate) upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, authorities and discretions and may from time to time revoke or vary all or any of them but no person dealing in good faith and without notice of the revocation or variation shall be affected by it. The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

#### 16.4 Provision for Employees

Subject to Article 12.6, the Board may exercise any power conferred by the Act to make provision for the benefit of persons employed or formerly employed by the Company in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company.

#### 16.5 Signature on cheques

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

#### 16.6 Borrowing powers

Subject to the provisions of the Act, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property (present and future) or any part or parts thereof and issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

### 17. **Proceedings of Directors**

#### 17.1 Board meetings

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. A Director or the Secretary at any time may call a Board meeting.

#### 17.2 Notice of Board meetings

Notice of a Board meeting shall be deemed to be properly given to a Director if it is given to him personally in writing or sent in writing to him at his last known address or any other address given by him to the Company for this purpose or sent by electronic communication to the address given by him to the Company for the purposes of electronic communication. A Director absent or intending to be absent from the United Kingdom may request the Board that notices of Board meetings shall during his absence be sent in writing to him at an address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and if no request is made to the Board it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the United Kingdom. A Director may waive notice of any meeting either prospectively or retrospectively. Save where urgent business arises where such period of notice is not practicable, a minimum of seven (7) days' notice of meetings of the Board accompanied by the venue for such meeting and an agenda of the business to be transacted (together with where practicable all papers to be circulated or presented to the same) shall be given to all the Directors.

#### 17.3 Quorum

The quorum necessary for the transaction of the business of the Board shall be one Representative Director of each Member but not requiring the inclusion of any Director who is not entitled to vote on the matter by virtue of these Articles or statute. Subject to

the provisions of these Articles, any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

#### 17.4 Adjournment of Board meetings

If within thirty (30) minutes after the time appointed for the commencement of the meeting (or such longer interval as the chair of the meeting may think fit to allow) a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to such day, time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chair of the meeting may decide. If at any meeting which has been so adjourned a quorum is not present within thirty (30) minutes of the time appointed for the commencement of the adjourned meeting, the meeting shall again stand adjourned to such day, time and place as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the chair of the meeting may decide. If at the second adjourned meeting a quorum is not present within thirty (30) minutes of the time appointed for the commencement of the adjourned meeting, the Directors present shall be a quorum.

#### 17.5 Directors below minimum through vacancies

The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in their number, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, or is below the number fixed by or in accordance with these Articles as the quorum, or there is only one continuing Director, the continuing Directors or Director may act for the purpose of filling vacancies but not for any other purpose.

#### 17.6 Appointment of chair

The Board shall appoint a Chair in accordance with the provisions of Article 12.2.1 and 12.5. Unless he is unwilling to do so, the Chair shall act as chairman at every meeting of the Board. But if no Chair is appointed, or if at any meeting the Chair is not present within thirty (30) minutes after the time appointed for holding the meeting and willing to act, the Directors present may choose one of their number to be chair of the meeting.

#### 17.7 Competence of meetings

A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

## 17.8 Voting

- 17.8.1 Subject to any other provisions of these Articles requiring a different majority, questions arising at any meeting of the Board shall be determined by a majority of votes of the Representative Directors. Neither the Chair nor the Chief Executive shall be entitled to vote.
- 17.8.2 At any meeting of the Board, a Representative Director(s) shall be entitled to exercise in aggregate the same percentage of voting rights that the Member appointing him is able to exercise at general meetings. For the avoidance of doubt, where more than one Representative Director is appointed by a Member they shall, together, only be entitled to vote in aggregate the percentage of voting rights that their appointing Member is able to exercise at general meetings.
- 17.8.3 Where any Member fails to contribute to the agreed funding of the Company, the provisions of Article 10.2, shall apply, mutatis mutandis, in respect of the voting and quorum rights of that Member's Representative Director(s).

## 17.9 Written Board resolutions

A resolution signed or approved in writing by at least one Representative Director appointed by each Member for the time being in the United Kingdom and entitled to vote thereon (being not less in number than a quorum for meetings of the Board) shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in like form, each signed by one or more of such Representative Directors. These documents can be made using electronic communications. No signature is necessary if electronic communications are used, subject to any terms and conditions the Board decide pursuant to Article 24. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Representative Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

## 17.10 Validity of acts of Board or committee

All acts done by the Board or by any committee or sub-committee or by any person acting as a Director or member of a committee or sub-committee shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or committee or sub-committee or person so acting or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if each such member or person had been properly appointed and was qualified or entitled and had continued to be a Director or member of the committee or sub-committee.

## 17.11 Meetings by means of conference facilities



A meeting of the Board or of any committee or sub-committee thereof may consist of a conference between Directors, some or all of whom are in different places, provided that each Director who participates is able:

- (a) to hear each of the other participating Directors addressing the meeting; and
- (b) if he so wishes, to address each of the other participating Directors simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when this Article is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number of Directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of Directors is assembled or, if no such group is readily identifiable, at the place from where the chair of the meeting participates.

## **18. Committees**

### **18.1 Delegation to Committees**

18.1.1 The Board may delegate any of its powers, authorities and discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) with power to sub-delegate to any committee (save that the powers, authorities and discretions exercisable by the Nominations and Remuneration Committee may not be delegated to other committees (or to individual Directors)), consisting of such person or persons (whether Directors or not) as it thinks fit save that the members of any committee or sub-committee (other than the Nominations and Remuneration Committee to which the provisions of Article 12.6 shall apply) shall always include at least one Director. Any committee so formed may exercise its power to sub-delegate by sub-delegating any of the powers, authorities or discretions delegated to it to any person or persons. Insofar as any such power, authority or discretion is delegated to a committee or sub-committee, any reference in these Articles to the exercise by the Board of the power, authority or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee or sub-committee.

18.1.2 Save for the Nominations and Remuneration Committee, any committee or sub-committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board. Save for the Nominations and Remuneration Committee, any such regulations may provide for or authorise the co-option to the committee or sub-committee of persons other than Directors and may provide for members who are not Directors to have voting rights as members of

the committee or sub-committee. The meetings and proceedings of any committee or sub committee consisting of two or more persons shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations or terms of reference imposed or adopted by the Board.

- 18.1.3 The power to delegate contained in this Article shall be effective in relation to the powers, authorities and discretions of the Board generally and, save in the case of the powers, authorities and discretions exercisable by the Nominations and Remuneration Committee which may not be delegated to other committees, shall not be limited by the fact that in certain Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

## **19. Appointment and Removal of the Company Secretary**

Subject to the provisions of the Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as joint secretaries. The Board may also appoint from time to time on such terms as it may think fit one or more deputy and/or assistant secretaries.

## **20. Use of Seals**

### **20.1 Custody and use of seal**

The Board shall provide for the custody of every seal of the Company. A seal shall only be used by the authority of the Board or by a committee of the Board authorised by the Board on its behalf. Subject as set out in the next sentence or as otherwise provided in these Articles, any instrument to which the seal is applied shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Board for this purpose. The Board may resolve that instruments of a type specified by the Board for the purpose and to which the Company's seal is, or is to be, applied may be signed by any one Director, the Secretary or by some other person appointed for this purpose.

### **20.2 Execution**

Any instrument signed by one Director and the Secretary, by two Directors or by a single Director before an attesting witness and expressed to be executed by the Company shall have the same effect as if executed under the seal of the Company.

## **21. Records to be kept**

The Board shall cause to be kept accounting records sufficient to show and explain the Company's transactions, and such as to disclose with reasonable accuracy at any time the financial position of the Company at that time, and which accord with the Act.

## **22. Auditors**

### **22.1 Validity of Auditor's acts**

Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

### **22.2 Auditor's right to attend General Meetings**

An Auditor shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns him as Auditor.

## **23. Notices**

### **23.1 Service of notices**

23.1.1 Any notice or document may be served on or delivered to any Member by the Company either personally or by sending it by post in a pre-paid cover addressed to such Member at his registered address marked for the attention of its current Representative Director (if any), or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company as his address for the service of notices, or by delivering it to such address addressed as aforesaid.

23.1.2 Any document or notice which, in accordance with these Articles, may be sent by the Company by electronic communication shall, if so sent, be deemed to be received:

- (a) if sent by fax, when received in legible form on the date of transmission shown on a transmission report produced by the fax machine of the sender (or its agent) which indicates that the entire notice was transmitted successfully; or
- (b) if sent by e-mail or other electronic means, when received in legible form.

23.1.3 Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty four (24) hours (or, where second-class mail is employed, forty eight (48) hours) after the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

23.1.4 Subject to the terms of reference of any committee of the Board from time to time, including the Nominations and Remuneration Committee Terms of Reference, the accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

#### 23.2 Notice when post not available

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a members' meeting by notice sent through the post, such meeting may be convened by a notice advertised in at least one newspaper with a national circulation and in that event the notice shall be deemed to have been served on all Members entitled thereto, and other persons who are entitled to have notice of the meeting served upon them, on the day when the advertisement has appeared (or first appeared) in at least one such paper. In any such case the Company may still, where applicable, serve notice by electronic communication and shall send confirmatory copies of the notice by post to Members to whom it was not sent by electronic communication if at least seven (7) days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

#### 23.3 Statutory requirements as to notices

Nothing in any of the preceding three Articles shall affect any requirement of the Act that any particular offer, notice or other document be served in any particular manner.

### 24. Electronic Signature of Documents

Where under these Articles a document is required to be signed by a Member or other person and is in the form of an electronic communication then it must, to be valid, incorporate the electronic signature or personal identification details (which may be details previously allocated by the Company) of that Member or their current Representative

Director, in such form as the Board may approve, or be accompanied by such other evidence as the Board may require to satisfy themselves that the document is genuine. The Company may designate mechanisms for validating any such document, and any such document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

## **25. Electronic communication**

### **25.1 Notification of Address**

Any Member may notify the Company of an address for the purpose of his receiving electronic communications from the Company, and having done so shall be deemed to have agreed to receive notices and other documents from the Company by electronic communication of the kind to which the address relates. In addition, if a Member notifies the Company of his email address, the Company may satisfy its obligation to send him any notice or other document by:

25.1.1 publishing such notice or other document on a web site; and

25.1.2 notifying him by e-mail to that e-mail address that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where the notice may be accessed, how it may be accessed and (if it is a notice relating to a members' meeting) stating (i) that the notice concerns a notice of a company meeting served in accordance with the Act, (ii) the place, date and time of the meeting, (iii) whether the meeting is to be an Annual or Extraordinary General Meeting and (iv) such other information as the Act may prescribe.

### **25.2 Amendment to Notification**

Any amendment or revocation of a notification given to the Company under this Article shall only take effect if in writing, signed by the Member and on actual receipt by the Company Secretary thereof.

### **25.3 Computer Virus Protection**

An electronic communication shall not be treated as received by the Company if it is rejected by computer virus protection arrangements.

## **26. Winding up**

Upon the winding up or dissolution of the Company any contributions made by Members in accordance with the annual budget of the Company which remains unspent shall be

refunded by the Company to the Members in proportion to any such contributions made by each Member for the then current Financial Year. Following such refunds (if any) and the satisfaction of all other of the Company's debts and liabilities, any remaining property shall be paid to or distributed among the Members in equal proportions.

## **27. Authentication of Documents**

Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any document affecting the constitution of the Company and any resolution passed at a Members' meeting or at a meeting of the Board or any committee, and any book record, document or account relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any book, record, document or account is elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid. A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon faith thereof that such resolution has been duly passed or, as the case may be, that any minutes so extracted is a true and accurate record of proceedings at a duly constituted meeting.

## **28. Establishment of Reserves**

The Board may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Board, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Board may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

## **29. Indemnity**

### **29.1 Entitlement to Indemnity**

Subject to the provisions of and so far as may be consistent with the Act, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against and/or exempted by the Company from all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the actual or purported execution and/or discharge of the duties of his office and/or the exercise or purported

exercise of his powers and/or otherwise in relation or in connection thereto, including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of such act or omission in which relief is granted to him by the courts, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

#### 29.2 Purchase of Insurance

Without prejudice to Article 29.1 above the Directors shall have power to purchase and maintain insurance for or for the benefit of any person who is or was at any time a Director or officer of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to the Company.

**Company No. 05422613**

**Digital UK Limited (the "Company")**

**Minutes of a meeting of the directors of the Company held at 23-24 Newman Street, London W1T 1PJ on 26 April 2022 at 14:00 pm**

**Present:** Caroline Thomson (Chair)  
Jonathan Thompson  
Magnus Brooke  
Martin Goswami  
Keiran Clifton  
Paul Thornton-Jones  
Khalid Hayat  
Madeleine Robinson  
Sarah Rose  
James Tatam

**In Attendance:** Eric Mitchell (Secretary)

**1. Notice and quorum**

The chair reported that the meeting had been duly convened and that a quorum was present, and declared the meeting open.

**2. Purpose of the meeting**

The chair reported that the purpose of the meeting was to consider and, if thought fit, propose the adoption of new articles of association of the Company.

**3. Documents**

3.1 The following documents were produced to the meeting in draft form:

- (a) a copy of the proposed new articles of association of the Company (the "**New Articles**"); and
- (b) a written special resolution (the "**Written Resolution**") of the members to adopt the New Articles.

3.2 It was noted that amendment of the articles of association of the Company was a reserved matter under the members' agreement relating to the Company requiring unanimous consent of the members.

**4. Resolutions**

Following due and careful discussion, **IT WAS RESOLVED:**

- (a) to propose the adoption of the New Articles;



- (b) to approve the Written Resolution and that the Written Resolution (with a copy of the proposed new articles of association attached) be despatched to every eligible member and a copy be sent to the Company's auditors; and
- (c) to adjourn this meeting for the purpose of enabling the Written Resolution to be circulated to each eligible member.

**5. Adjournment and resumption**

The meeting was adjourned and, when it reconvened the chair reported that the Written Resolution had been duly signed by all of the eligible members of the Company constituting the unanimous consent of the members and that accordingly the special resolution set out therein had been duly passed.

**6. Administrative matters**

**IT WAS RESOLVED:**

- (a) that the following be completed and filed with the Registrar of Companies:
  - (i) a copy of the Written Resolution;
  - (ii) a copy of the New Articles; and
  - (iii) a Form CC04 (statement of company's objects)

**7. Close of meeting**

There being no further business, the chair declared the meeting to be closed.

.....

**Chair**

**Company No. 05422613**

**Written Resolutions of Digital UK Limited (the "Company")**

**Circulation Date:**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, it is proposed that the following special resolution (the "**Resolution**") be passed:

**Special Resolution**

1. To adopt articles in the form of the document attached as the new articles of association of the Company in substitution for and to the exclusion of all other articles of association.

Please read the Notes below before signifying your agreement to the Resolution.

The undersigned, being an eligible member and entitled to vote on the Resolution on the circulation date specified above, irrevocably agrees to the Resolution:

.....  
For and on behalf of  
**British Broadcasting Corporation**

Date:

.....  
For and on behalf of  
**Channel Four Television Corporation**

Date:

.....  
For and on behalf of  
**Channel 5 Broadcasting Limited**

Date:

.....  
For and on behalf of  
**ITV Network Limited**

Date:

**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.
2. If you do not agree to the Resolution, you do not need to do anything and you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
4. Unless by the end of the period of 28 days beginning with the circulation date, sufficient agreement has been received for the Resolution to be passed, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches the Company before or during this date.
5. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members of the Company.
6. 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. 05422613**

**Digital UK Limited (the "Company")**

**Resolution passed as a written resolution pursuant to Chapter 2 of Part 13 of the Companies Act 2006**

The following resolution was duly passed as a special resolution on \_\_\_\_\_

**Special Resolution**

1. To adopt articles in the form of the document attached as the new articles of association of the Company in substitution for and to the exclusion of all other articles of association.

.....

**Director**