

The Companies Act 1862

The Companies Act 1985

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

THE PRESS ASSOCIATION LIMITED

(Adopted by Special Resolution of the Company passed on 13 May 1993)

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PRELIMINARY

1. The regulations in Table A in the First Schedule to the Companies Act 1862 shall not apply to the Company.
2. In these regulations -

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.

"the articles" means the articles of association of the Company.

"the British Isles and the Republic of Ireland" means Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and the Republic of Ireland.

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"the Code" means the October 1990 edition of The City Code on Take-Overs and Mergers.

"dividend" means a dividend and/or bonus.

"executed" includes any mode of execution.

"the holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares.

"office" means the registered office of the Company.

"paid up" means paid up and/or credited as paid up.

"the seal" means the common seal of the Company.



"secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

"in writing" means written or produced by any legible and non-transitory substitute for writing, or partly one and partly another.

Words denoting the singular number include the plural number and vice versa; words denoting the masculine gender include the feminine gender; words denoting persons include corporations.

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

#### SHARE CAPITAL

3. At the date of the adoption of these articles the share capital of the Company is £8,000,000 divided into 8,000,000 Ordinary Shares of £1 each.\*

4. Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.

5. Subject to the provisions of the Act, shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder on such terms and in such manner as may be provided by the articles.

6. The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

7. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.

8. The special rights conferred upon the holders of any shares or class of shares issued with preferred or other special rights shall not, (unless otherwise expressly provided by the articles or the conditions of issue of such shares) be deemed to be modified by the creation or issue of further shares ranking *pari passu* therewith.

#### SHARE CERTIFICATES

9. Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate may

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\*NOTE: The history of the share capital of the Company is set out in notes to Clause 5 of the Memorandum of Association.

be sealed with the seal (if any) or may be signed by a director and the secretary or by two directors and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

10. If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

#### LIEN

11. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien on all shares (whether fully paid up or not) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company, and that whether the same shall have been incurred before or after notice to the Company of any equitable or other interest in any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The directors may resolve that any share shall for some specified period be wholly or partly exempt from the provisions of this regulation.

12. The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

13. To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

14. The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### CALLS ON SHARES AND FORFEITURE

15. Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the

Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

16. A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

18. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

19. An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of the articles shall apply as if that amount had become due and payable by virtue of a call.

20. Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

21. If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

22. If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

23. Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

24. A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment 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.

25. A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

#### TRANSFER OF SHARES

26. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

27. The directors may in their absolute discretion and without giving any reason refuse to register any transfer of any share, whether fully paid or not.

28. The directors may also refuse to register a transfer unless -  
(a) it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;  
(b) it is in respect of only one class of shares; and  
(c) it is in favour of not more than four transferees.

29. If the directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

30. The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the directors may determine.

31. No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.

32. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall (except in any case of fraud) be returned to the person lodging it when notice of the refusal is given.

33. (1) Where the holder of any shares disposes of an interest in any of such shares in favour of any other person (whether a member of the Company or not) he shall promptly provide the Company with particulars of such interest (including its duration, nature and the identity of that other person) which shall be entered against his name in a register of interests maintained by the secretary for such purpose. On any change occurring in such interest or the owner thereof or upon the termination of such interest the holder shall promptly provide the Company with the like particulars of such change which shall be entered in the register of interests. Such particulars shall be supplied by statutory declaration (or otherwise in a form satisfactory to the directors) and the directors may at any time by a written notice require any

holder of shares to confirm in like form the correctness of any entry or lack of entry against his name in the register of interests. If any such holder fails to provide such confirmation within 28 days of receiving such written notice or if the directors know or have reasonable cause to believe that he has disposed of an interest in his shares they may deem that he has made such a disposal and may cause an entry against his name to be made in the register of interests accordingly.

(2) For the purposes of this regulation the disposal of an interest occurs whenever the holder of the shares enters into a contract for their sale or some other person becomes entitled to exercise or control the exercise of any right conferred by the holding of those shares. The appointment of a proxy or representative for a particular meeting or the making of a transfer which is approved for registration by the directors shall not count as the disposal of an interest.

(3) Where any member is shown by the register of interests to have made a disposal of an interest in shares the directors may at any time serve on him in writing one or both of the following notices -

- (i) a notice that he is not entitled in respect of such shares to vote (in person, by a proxy or by a representative) at any general meeting of the Company. Upon service of any such notice the shares so specified shall be disfranchised accordingly and shall remain disfranchised so long as the member remains shown by the register of interests to have disposed of an interest in them unless the directors notify him in writing that the shares are re-enfranchised; and
- (ii) a notice that the Company proposes to purchase such shares, at par or such higher price as the directors in their absolute discretion may decide, subject to and in accordance with the provisions of Chapter VII of Part V of the Act. The directors may authorise in writing any officer or employee of the Company to sign on behalf of the member any necessary contract or transfer. The Company shall not be obliged to account to the member for the purchase price unless and until he surrenders the certificate in respect of the shares and such price shall be paid without interest.

#### TRANSMISSION OF SHARES

34. If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest; but nothing herein contained shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him.

35. A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. Provided that notwithstanding any of the foregoing provisions of this regulation all the limitations, restrictions and provisions of the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer

executed by the member and the death or bankruptcy of the member had not occurred.

36. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

#### ALTERATION OF SHARE CAPITAL

37. The Company may by ordinary resolution -

- (a) increase its share capital by new shares of such amount as the resolution prescribes;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others; and
- (d) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

38. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to the Company or to any member and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

39. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

#### PURCHASE OF OWN SHARES

40. Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

#### GENERAL MEETINGS

41. All general meetings other than annual general meetings shall be called extraordinary general meetings.

42. The directors may call general meetings. If there are not within the

British Isles and the Republic of Ireland sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

#### NOTICE OF GENERAL MEETINGS

43. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed -

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95% in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

44. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

45. No business shall be transacted at any meeting unless a quorum is present. Save as otherwise provided in the articles, five persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a representative of a corporation, shall be a quorum.

46. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the directors may determine. If at the adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, two persons entitled to be counted in a quorum present at the meeting shall be a quorum.

47. The chairman, if any, of the board of directors or in his absence the vice-chairman, if any, shall preside as chairman of the meeting, but if neither the chairman nor vice-chairman be present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect a director to be chairman and, if there is only one director present and willing to act, he shall be chairman.

48. If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting,



the members present and entitled to vote shall choose one of their number to be chairman.

49. A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

50. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

51. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded by the chairman or by any member entitled to vote at the meeting who is present in person, by proxy or by a representative.

52. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

53. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

54. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

55. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

56. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

57. No notice need be given of a poll not taken forthwith 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 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

58. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

#### VOTES OF MEMBERS

59. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

60. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

61. A member in respect of whom an order has been made by any court having jurisdiction (whether in the British Isles, the Republic of Ireland or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

62. No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

63. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

64. On a poll votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion. A member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.

65. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in any usual form or in any other form which the directors may approve. Any director of a corporation which is a member of the Company and which has not authorised some other person to act as its representative shall, so long as he holds office as a director of the Company, be deemed to be its representative for all the purposes of the articles without necessity for other authorisation.

66. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way

approved by the directors may -

- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

67. The directors may at the expense of the Company send, by post or otherwise, to the members instruments of proxy (with or without stamped envelopes for their return), for use at any general meeting or at any meeting of any class of members of the Company, either in blank or nominating in the alternative any one or more of the directors or any other person.

68. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

69. (1) If any member acquires or otherwise has an interest in respect of shares (as defined in section 208 of the Act) in excess of 20% of the total number of shares for the time being in issue but disregarding any shares which are for the time being disfranchised pursuant to any provision of the articles, the directors may notify him in writing that he is not entitled in respect of the number of shares specified in the notice (which may not be more but may be less than the number of such excess shares) to vote (in person or by proxy or representative) at any general meeting of the Company. Upon service of any such notice in accordance with the articles the shares so specified shall be disfranchised accordingly. Where the shares in which such member is interested are held by more than one person (treating joint holders as one person), the directors shall be under no obligation to disfranchise the same proportion of each shareholding but shall not disfranchise in total more than the number of the excess shares.

(2) The shares disfranchised under paragraph (1) above shall remain disfranchised until the directors notify the member in writing that the shares are re-enfranchised. The directors shall so notify the member as soon as his holding of shares ceases to be in excess of 20% of the total number of shares but need not otherwise do so notwithstanding that his holding of shares excluding his disfranchised shares has fallen below 20% of such total.

(3) Where shares have been re-enfranchised under paragraph (2) above the directors may serve a new notice under paragraph (1) above in the circumstances provided by that paragraph. The directors may also from time to time by notice in writing to the member increase or reduce the number of his excess shares which are for the time being disfranchised under paragraph (1) above.

(4) For the purposes of this regulation 69, in calculating the number of shares in which any member has an interest, the number of shares held by that member shall be aggregated with the number of shares in which the following are interested -

- (a) any person acting in concert (as defined in regulation 69(5)) with that member; and
- (b) any person with whom the directors pursuant to regulation 69(7) deem that member to be acting in concert

Provided that there shall not be included any shares which are for the time being disfranchised pursuant to any provision of the articles.

(5) For the purposes of this regulation 69, persons acting in concert shall comprise persons (including any company or companies) who, pursuant to an agreement or understanding (whether formal or informal), co-operate in any manner, through the holding (whether by acquisition or otherwise) by any of them of any interest in any shares in any company (including but not limited to any interest in shares as defined in section 208 of the Act, any beneficial or conditional interest and any rights arising pursuant to an option or other agreement or irrevocable commitment), to obtain or consolidate control (as defined in regulation 69(6)) of the Company.

Without prejudice to the generality of the foregoing, the following persons will be deemed to be persons acting in concert with other persons in the same category -

- (a) a company, its holding company (or companies), subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (and for these purposes ownership or control of 20% or more of the equity share capital shall be the test of associated company status);
- (b) a company with -
  - (i) any of its shareholders (together with their close relatives and related trusts) and for these purposes shareholders shall include any person who has an interest whether directly or indirectly through other persons or companies in that company; and
  - (ii) any other member of the Company in which any shareholder in that company is interested, whether directly or indirectly;
- (c) a company with any of its directors (together with their close relatives and related trusts);
- (d) a company with any of its pension funds;
- (e) a fund manager (including an exempt fund manager as defined in the Code) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;

- (f) a financial or other professional adviser (including a stockbroker) with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser (except in the capacity of an exempt market-maker as defined in the Code); and
  - (g) directors of a company which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent and for these purposes "offer" shall include takeover and merger transactions however effected including reverse takeovers, partial offers, Court schemes and offers by a parent company for shares in its subsidiary.
- (6) For the purposes of regulation 69(5) -
- (a) "control" shall mean a holding, or aggregate holdings, of shares carrying 20% or more of the voting rights of a company, irrespective of whether the holding or holdings gives de facto control;
  - (b) "acquisition" shall be deemed to include the holding of any interest whether directly or indirectly; and
  - (c) "voting rights" shall mean all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting and for the avoidance of doubt in relation to the voting rights of the Company there shall be disregarded all voting rights attached to shares which are for the time being disfranchised pursuant to any provision of the articles.
- (7) The directors may at any time by written notice require any holder of shares to state whether or not he is acting in concert with any person or persons and to specify the name of any person with whom he is acting in concert and the number of shares in the Company in which any such person is interested. If the directors know or believe that any member is acting in concert with any person or persons, they may deem that he is acting in concert with such person or persons.
- (8) Any belief or decision of the directors which is held or made in pursuance or purported pursuance of any of the provisions of this regulation 69 shall be conclusive, final and binding on all persons concerned and the validity of any act or thing which is done or caused to be done by the directors in pursuance or purported pursuance of any of such provisions shall not be capable of being challenged by anyone on the ground that there was not any basis or reasonable basis on which the directors could have arrived at any such belief or made any such resolution or decision or on the ground that any conclusion of fact on which the directors relied or might have relied for the purposes of arriving at any such belief or making any such resolution or decision was incorrect, or on any other ground whatsoever.

#### NUMBER OF DIRECTORS

\*70. The directors shall be not less than five nor more than fifteen in number. Of the directors for the time being in office not less than three shall be representatives of provincial newspapers and the directors shall keep a record of the directors from time to time who are representatives of provincial newspapers. For the purpose of this regulation -

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\*NOTE: By a special resolution passed on 9 May 1996 the maximum number of directors was increased to fifteen.

- (a) "provincial newspaper" means a newspaper carrying only one title without variation throughout its regular publishing cycle and which is printed and published within the British Isles and the Republic of Ireland outside a radius of 15 miles from Charing Cross;
- (b) a director shall be a representative of a provincial newspaper if:
  - (i) he is the proprietor of a provincial newspaper or a director of a corporation which is (or a subsidiary of which is) the proprietor of a provincial newspaper; or
  - (ii) the directors (in their absolute discretion) have resolved that he be appointed a representative of a provincial newspaper Provided that the directors may only so appoint a director if there would otherwise not be three representatives of provincial newspapers among the directors for the time being in office and Provided further that any director so appointed shall have or have had an established connection with a provincial newspaper. Such director shall hold office as a representative of a provincial newspaper only until the next following general meeting and if his appointment as a representative of a provincial newspaper is not confirmed at such general meeting, at the conclusion of such meeting he shall cease to be such a representative and shall vacate office unless re-appointed as a director.

#### POWERS OF DIRECTORS

71. Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

72. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### DELEGATION OF DIRECTORS' POWERS

73. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

#### APPOINTMENT OF DIRECTORS

74. Subject to regulation 70, the Company may by ordinary resolution appoint or re-appoint a person who is willing to act to be a director either to fill a

vacancy or as an additional director Provided that no person shall be appointed or re-appointed by the Company unless -

- (a) he is recommended by the directors; or
- (b) not less than 14 nor more than 35 clear days before the date appointed for the meeting, notice signed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment stating the period of the proposed appointment or re-appointment and the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors together with notice signed by that person of his willingness to be appointed or re-appointed.

75. Subject to regulation 70, the directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. Any director so appointed shall hold office only until the next following general meeting and if not re-appointed at such general meeting shall vacate office at the conclusion thereof.

#### DISQUALIFICATION AND REMOVAL OF DIRECTORS

76. The office of a director shall be vacated if -

- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either -
  - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice to the Company; or
- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or
- (f) he is requested in writing by all his co-directors to resign; or
- (g) his employment with the Company or his appointment as director of the Company is terminated for any reason (including, without limitation, effluxion of time); or
- (h) the Company, pursuant to the provisions of the Act, removes him from office; or

- (i) in the case of a director who is a representative of a provincial newspaper, he ceases for any reason to be qualified under regulation 70(b).

#### REMUNERATION OF DIRECTORS

77. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### DIRECTORS' EXPENSES

78. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

#### DIRECTORS' APPOINTMENTS AND INTERESTS

79. Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and the directors or any committee of the directors duly authorised pursuant to regulation 73 may remunerate any such director for his services as the directors or such duly authorised committee think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.

80. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office -

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

81. For the purposes of regulation 80 -

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a



specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and

- (b) an interest 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.

82. The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### PROCEEDINGS OF DIRECTORS

83. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the British Isles and the Republic of Ireland. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

84. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be three.

85. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number but, if the number of directors is reduced below five, they may act only for the purpose of filling vacancies or of calling a general meeting.

86. The directors may appoint from their number a chairman and a vice-chairman of the board of directors.

87. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

88. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors.

89. Any director may participate in a meeting of the directors or a meeting of a committee of the directors by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other and any director participating in a meeting in this manner shall be deemed to be present in person at such meeting.

90. Save as otherwise provided by the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs -

- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any shares, debentures or other securities of the Company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such shares, debentures, or other securities by the Company or any of its subsidiaries for subscription, purchase or exchange;
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes; or
- (e) the resolution relates to any contract, arrangement, transaction or proposal concerning the purchase or maintenance of insurance pursuant to regulation 115.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a director shall be treated as an interest of the director.

91. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

92. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

93. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

94. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his

ruling in relation to any director other than himself shall be final and conclusive.

#### SECRETARY

95. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

#### MINUTES

96. The directors shall cause minutes to be made in books kept for the purpose -

- (a) of all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

Any such minute, if purporting to be signed by the chairman of the meeting to which it refers or by the chairman of the next succeeding meeting, shall be evidence of the proceedings.

#### THE SEAL

97. Any seal adopted by the Company shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

#### DIVIDENDS

98. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors.

99. Subject to the provisions of the Act, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall 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 any shares having deferred or non-preferred rights.

100. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be 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; but, if

any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

101. A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

102. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

103. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

104. Any dividend or other moneys payable in respect of a share which have remained unclaimed for 12 years from the date when they became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

#### ACCOUNTS

105. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

#### CAPITALISATION OF PROFITS

106. The directors may with the authority of an ordinary resolution of the Company -

- (a) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company (including profits carried and standing to any reserve or reserves) not required for paying the fixed dividends on any shares entitled to fixed preferential dividends (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;
- (b) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in

paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but provided that the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid and provided further that the unissued shares to be allotted pursuant to this regulation shall be shares of the same class or classes as those in respect of which such capitalised sum would have been distributed had it been distributed by way of dividend and in the same proportions;

- (c) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
- (d) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

#### NOTICES

107. Any notice to be given pursuant to the articles shall be in writing and the Company may give any such notice to a member or director either personally or by sending it by post in a prepaid envelope addressed to the member or director at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

108. A member whose registered address is not within the British Isles and the Republic of Ireland and who gives to the Company an address within the British Isles at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.

109. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

110. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

111. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the time the envelope containing it was posted.

112. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied to the Company for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.

#### WINDING UP

113. If the Company is wound up, the liquidator may, with the sanction of an extraordinary resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.

#### INDEMNITY

114. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

#### DIRECTORS' LIABILITY INSURANCE

115. Without prejudice to any other provision of these articles the directors may purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of the Company, or of any company which is a subsidiary or subsidiary undertaking of the Company, or of any other company in which the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company or any such subsidiary, or of any of the predecessors in business of the Company or any such other company as aforesaid, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such predecessor or other company or subsidiary undertaking as aforesaid are or have been interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such predecessor or other company or subsidiary undertaking as aforesaid or any such pension fund. No director or former director shall be accountable to the Company or its members for any benefit provided pursuant to this regulation 115 and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.