

THE COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES  
SPECIAL RESOLUTIONS

-of-

STOKE CITY FOOTBALL CLUB LIMITED

PASSED on the 1<sup>st</sup> day of May 1997

AT AN EXTRAORDINARY GENERAL MEETING of the members of the above Company duly convened and held at Victoria Ground, Stoke-on-Trent on the 1st day of May 1997 the following SPECIAL RESOLUTIONS were duly passed:-

SPECIAL RESOLUTIONS

1. THAT the 182,819 fully paid Ordinary Shares of £1.00 each and the 29 Preference Shares of £1.00 each which are registered in the name of Peter Coates together be designated 'A' Shares.
2. THAT the 92,906 fully paid Ordinary Shares of £1.00 each and the 18 Preference Shares of £1.00 each which are registered in the name of Keith Ashley Humphreys and the 89,849 fully paid Ordinary Shares of £1.00 each and the 75 Preference Shares of £1.00 each which are registered in the name of Ramsdell Estates Limited together be designated 'B' Shares.
3. THAT 185,846 fully paid Ordinary Shares of £1.00 each which are registered in the name of Paul Ernest Doona be designated 'C' Shares.
4. THAT the 'A' Shares, 'B' Shares and 'C' Shares shall rank pari passu as one class in all respects with the Ordinary Shares of £1.00 each in the capital of the Company.



5. THAT the draft regulations produced to the meeting and initialled by the Chairman for the purposes of identification be adopted as the Articles of Association of the Company in substitution for and the exclusion all the existing Articles of Association.

*P. Coates*

Chairman

Filed with the Registrar of Companies

the      day of May 1997

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**STOKE CITY FOOTBALL CLUB LIMITED**

**NEW  
ARTICLES OF ASSOCIATION**

Grindeys  
Solicitors  
Glebe Court  
Stoke on Trent

Ref: DH.FM. 30.4.97

The Companies Act 1985  
Private Company Limited by Shares

NEW

ARTICLES OF ASSOCIATION

Adopted by Special Resolution passed on 1<sup>st</sup> May 1997

of

**STOKE CITY FOOTBALL CLUB LIMITED**

Incorporated On 14<sup>th</sup> October 1908

**Interpretation**

1. In these Articles, if not inconsistent with the subject or context:

"Act" means the Companies Act 1985, as amended or re-enacted from time to time

"A" Shares "B" Shares and "C" shares mean the 'A' Ordinary Shares of £1 each, the 'B' Ordinary Shares of £1 each and the 'C' Ordinary Shares of £1 each of the Company

"Connected Person" means a Relative of the Shareholder in question or a company of which such Shareholder has a Controlling Interest

"Controlling Interest" means an interest (within the meaning of Schedule 13 Part 1 and Section 324 of the Act) conferring in aggregate 50% or more of the total voting rights conferred by all the ordinary shares of any company

"Relative" means brother, sister, spouse, ancestor or lineal descendant

"Table A" means Table A in the Schedule to the Companies (Tables A-F) Regulations 1985.

**Table A**

2. The regulations contained in Table A apply to the Company except in so far as they are excluded by or inconsistent with these Articles.
3. Any proposed amendment to or variation of these Articles or of the Memorandum of Association of the Company shall be deemed to be a variation of the rights attached to the 'A' Shares the 'B' Shares and the 'C' Shares.
4. Regulations 2, 8, 17, 23, 24, 32(a), 39, 40, 41, 50, 64, 65, 73 to 80 inclusive, 82, 89, 94, 97 and 118 of Table A do not apply to the Company.

## Share capital

5. The Company does not have power to issue share warrants to bearer.
6. The provisions of section 89(1) of the Act do not apply to the Company.
7. The capital of the Company at the date of adoption of these Articles is £578,739 divided into 182848 'A' Shares of £1 each 182848 'B' Shares of £1 each 185846 'C' Shares of £1 each, 26319 other Ordinary Shares of £1 each and 878 Preference Shares.
8. The 'A' Shares 'B' Shares and the 'C' Shares constitute different classes of shares for the purposes of the Act but, except as in these Articles expressly provided, confer upon the holders the same rights and rank *pari passu* in all respects.

Preference shares may be issued with a cumulative preference dividend of a rate not exceeding 5.25% net for a period not exceeding three years (that is to say the past consecutive years); but the company may not issue more preference shares than its subscribed ordinary shares.
9. Unissued shares shall be allotted only as follows:
  - 9.1 every allotment shall be of an equal number of 'A' Shares 'B' Shares and 'C' Shares;
  - 9.2 on the occasion of each allotment the 'A' Shares the 'B' Shares and the 'C' Shares shall be allotted at the same price (not being at a discount) and on the same terms as to date for payment;
  - 9.3 no shares of any class shall be issued otherwise than to members holding shares of the same class without the prior written consent of all the members;
  - 9.4 as between holders of shares of a class, the shares of that class being allotted shall be allotted in proportion to their then existing holdings of shares of that class or in such other proportions between them as all the members holding shares of that class agree in writing;
  - 9.5 the maximum amount of relevant securities (as defined by section 80(2) of the Act) which the directors may allot, grant options or subscription or conversion rights over or otherwise deal with or dispose of pursuant to this Article shall be the authorised but as yet unissued share capital of the Company at the date of adoption of these Articles. The authority conferred on the directors by this Article shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles.
10. Without prejudice to Article 26, the Company may by special resolution, whether or not all the shares for the time being authorised have been issued or all the shares for the time being issued have been fully paid up, increase its share capital by new shares of such number and class as the special resolution prescribes.

11. Subject to the provisions in Article 9, all unissued shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper provided that no shares shall be issued at a discount.
12. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) called or payable at a fixed time and in respect of that share. The Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person, whether as a member or not and whether such moneys are presently payable or not. The directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of it.

#### Transfer of shares

13. The instrument of transfer of any share shall be executed by or on behalf of the transferor. In the case of a partly-paid share, the instrument of transfer must also be executed by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it.
14. The following provisions shall apply to the transfer of any share other than the 'A' Shares, the 'B' Shares and the 'C' shares
  - 14.1. subject to such of the restrictions of these regulations as may be applicable any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the directors may approve
  - 14.2. the directors may in their absolute discretion and without giving any reason decline to register the transfer of any share whether fully paid or not to a person of whom they do not approve
  - 14.3. the directors may also decline to recognise any instrument of transfer unless:-
    - 14.3.1. such fee as the directors may from time to time require (subject to any statutory restriction from time to time in force) is paid to the company in respect thereof
    - 14.3.2. the instrument of transfer is accompanied by the certificate of 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
15. The following provisions shall apply to the transfer of any of the 'A' Shares, the 'B' Shares or the 'C' Shares
  - 15.1. no transfer of any of the 'A' Shares, the 'B' Shares or the 'C' Shares or any interest in those shares shall be made unless the following provisions are complied with in respect of the transfer.

- 15.1.1. a holder of 'A' Shares or 'B' Shares or 'C' Shares, or person entitled to them by way of the death or bankruptcy of such holder or holders, who wishes to transfer them or any interest in them ('the Vendor') shall give to the Company notice in writing ('the Transfer Notice').
- 15.1.2. A Transfer Notice shall constitute the directors the Vendor's agents for the sale of the shares specified in it ('the Sale Shares') at a price ('the Sale Price') which is agreed upon by the Vendor and the directors or, in the absence of agreement, which Deloitte & Touche Chartered Accountants, (or such other firm of similar standing as the 'A' Shareholders or the 'B' Shareholders shall nominate) ('the Accountants') (acting as experts and not as arbitrators) certify to be in their opinion the fair value of the Sale Shares, as at the date of the Transfer Notice, as between a willing seller and a willing buyer contracting on arm's length terms, having regard to the fair value of the business of the Company and its subsidiaries as a going concern disregarding (even if it be the case) that the Sale Shares constitute a minority interest.
- 15.1.3. The Accountants certificate shall be binding upon all parties.
- 15.1.4. If the Accountants are asked to certify the Sale Price the Company shall within 7 days of the issue of the Accountants' certificate send a copy to the Vendor. The Vendor shall be entitled, by notice in writing given to the Company within 28 days of the copy being sent to him, to withdraw the Transfer Notice. The cost of obtaining the certificate shall be borne by the Vendor. A Transfer Notice shall not otherwise be revocable without the consent of all the directors of the Company, who may impose such condition upon any consent as they think fit, including a condition that the Vendor bears all associated costs.
- 15.1.5. Upon the Sale Price being agreed or certified and provided the Vendor does not withdraw the Transfer Notice in accordance with paragraph 15.1.4, the directors shall promptly, by notice in writing, offer the Sale Shares to the holders of the remaining shares of that class, if any, and to the holders of the other two classes at the Sale Price pro rata to their existing holdings. The offer shall be open for a period of 28 days from the date of the notice ('the Acceptance Period'). If the offerees within the Acceptance Period apply for all or any of the Sale Shares the directors shall allocate the Sale Shares or such of the Sale Shares as are applied for amongst the applicants for any of the Sale Shares, in the case of competition in proportion to their then existing holdings of shares (as nearly as may be without involving fractions or increasing the number allocated to any applicant beyond that applied for by him).
- 15.1.6. If within the Acceptance Period applications are received from one or more of the other holders ('the Transferees') in respect of all or any of the Sale Shares, the directors shall promptly give notice in writing ('the Acceptance Notice') to the Vendor specifying the number of Sale Shares applied for and the place and time (being not earlier than 7 and not later than 28 days after the date of the Acceptance Notice) at which the sale shall be completed.
- 15.1.7. The Vendor shall be bound to transfer the Sale Shares, or such of the Sale Shares as are applied for, to the Transferees at the time and place specified in the Acceptance Notice and payment of the Sale

Price for the Sale Shares (or, if some only of the Sale Shares have been applied for, the corresponding proportion of the Sale Price for all the Sale Shares) shall be made to the directors as agents for the Vendor.

- 15.1.8. If the Vendor fails to transfer the Sale Shares, or such of the Sale Shares as are applied for, the chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the Vendor with full power to execute, complete and deliver, in the name and on behalf of the Vendor, transfers of the Sale Shares, or such of the Sale Shares as are applied for, to the Transferees against payment of the Sale Price, or the corresponding proportion of the Sale Price, to the Company. On payment to the Company, the Transferees shall be deemed to have obtained a good discharge for this payment.
- 15.1.9. On execution and delivery of the transfers, the Transferees shall be entitled to require their names to be entered in the register of members as the holders by transfer of the Sale Shares or such of the Sale Shares as are applied for. If any Sale Shares are transferred to the holder of shares of the other classes, they shall automatically be redesignated, on registration of the transfer, as shares of the other class unless all the issued shares of the Company would then be of only one class.
- 15.1.10. The Company shall pay the price into a separate bank account in the Company's name and hold it in trust for the Vendor, after deducting any fees or expenses falling to be borne by the Vendor.
- 15.1.11. After the names of the Transferees have been entered in the register of members in purported exercise of the above powers, the validity of the proceedings shall not be questioned by any person.
- 15.1.12. If the offer of the Sale Shares at the Sale Price is accepted in part only within the Acceptance Period, the Vendor shall (unless, in the case of the 'C' Shares, the holding represents a Controlling Interest, in which case regulation 15.1.14 shall apply) be at liberty during the period of 6 months following the expiry of the Acceptance Period to transfer all or any of the remaining Sale Shares to any person at a price not being less than a due proportion of the Sale Price. The directors may require to be satisfied that the Sale Shares not applied for are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance of any kind to the purchaser and, if not satisfied, may refuse to register the instrument of transfer. A director who is, or is nominated by, the Vendor shall not be entitled to vote at any board meeting at which a resolution relating to the sale is proposed.
- 15.1.13. If the offer of the Sale Shares at the Sale Price is not accepted in whole or in part within the Acceptance Period, the Vendor (unless it involves a sale of a Controlling Interest in the 'C' Shares in which case regulation 15.1.14 shall apply) shall be at liberty during the period of 6 months following the expiry of the Acceptance Period to transfer all or any of the Sale Shares to any person at a price not being less than the Sale Price. The directors may require to be satisfied that the Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance of any kind to the Purchaser. If not



satisfied, the directors may refuse to register the relevant instrument of transfer. A director who is, or is nominated by, the Vendor shall not be entitled to vote at any board meeting at which a resolution relating to the sale is proposed.

- 15.1.14. A transfer of any 'C' Shares which is otherwise permitted by the provisions of regulation 15.1.13 shall only be permitted (where it represents a Controlling Interest or would mean that any 'C' Shares retained by the holder would represent less than a Controlling Interest) if the holder shall at the same time use his best endeavours to procure for the holders of the 'A' shares and the 'B' Shares an offer for the purchase of the 'A' Shares and the 'B' Shares at the same price per share as the 'C' Shares and in all other respects on the same terms mutatis mutandis as the 'C' Shares. If the holders of the 'A' Shares and the 'B' shares do not accept such offer within 28 days the holder of the 'C' Shares shall be at liberty during the period of 6 months following expiry of the Acceptance Period to transfer all or any of the 'C' Shares to the purchaser who had bid for all the 'A' Shares, 'B' Shares and 'C' Shares after which time the procedure set out in this regulation must be followed again before any transfer of the 'C' Shares may take place
- 15.1.15. If the price per share referred to in regulation 15.1.14 is acceptable to the holders of the 'A' Shares and the 'B' Shares, they shall be bound to sell such number of 'A' Shares and 'B' Shares as shall in each case represent 12 1/4% of the ordinary share capital of the Company.
- 15.1.16. Upon transferring any of the Sale Shares to the Transferee or to a third party in accordance with the provisions of this Article the Vendor shall procure that any director appointed by it to the board of the Company resigns.
- 15.1.17. Notwithstanding the above, the directors may decline to register a transfer of a share on which the Company has a lien.
- 15.1.18. The restrictions on transfer contained in this Article shall not apply to:
- 15.1.18.1 a transfer approved in writing by all the holders of all of the 'A' Shares, the 'B' Shares and the 'C' Shares
  - 15.1.18.2 a transfer from a holder of 'A' or 'B' Shares or 'C' Shares to a Connected Person
  - 15.1.18.3 a transfer from a holder of 'A' Shares to another holder of 'A' Shares, a transfer from a holder of 'B' Shares to another holder of 'B' Shares and a transfer from a holder of 'C' Shares to another holder of 'C' Shares
  - 15.1.18.4 a transfer by a corporate member ('the transferor company') to an associated company ('the transferee company') (that is to say, a holding company or wholly-owned subsidiary of the transferor company and any other wholly-owned subsidiary of any holding company). If the transferor company and the transferee company cease to be associated, the transferee company shall be deemed to have given a Transfer Notice immediately prior to that

event in respect of all shares transferred to it unless it re-transfers the shares to the transferor company;

- 15.1.18.5 a transfer by a corporate member to a company formed to acquire the whole or a substantial part of its undertaking and assets as part of a scheme of amalgamation or reconstruction.

It must be proved to the reasonable satisfaction of the directors that the transfer bona fide falls within one of these exceptions.

- 15.2. For the purposes of this Article the following shall be deemed to be a relevant event:

15.2.1. a sale or other disposition of any beneficial interest in a share (whether or not for consideration) by a holder of 'A' Shares or 'B' Shares or 'C' Shares otherwise than in accordance with the above provisions and whether or not made in writing; or

15.2.2. a corporate holder of 'A' Shares or 'B' Shares or 'C' Shares entering into liquidation (other than a members' voluntary liquidation for the purpose of reconstruction or amalgamation) or an administrative receiver or a receiver being appointed over any of its assets or an administration order being made against it;

- 15.3. If a relevant event occurs in relation to a holder of 'A' Shares or 'B' Shares or 'C' Shares, he shall be deemed to have given a Transfer Notice in respect of all shares held by him or by any nominee for him immediately prior to the event.

- 15.4. If a corporate member ceases to be controlled by the person who at the time when it became a member had control, the member shall be deemed immediately prior to that event to have served a Transfer Notice in respect of all the shares held by it, unless all the other holders of class shares otherwise agree in writing. For the purposes of this paragraph, a person shall be deemed to have control of a corporation if the corporation is a subsidiary of that person or would have been a subsidiary if that person had itself also been a corporation.

- 15.5. Any Transfer Notice deemed to have been given under paragraphs 15.1.17.3, 15.3 or 15.4. of this Article shall be deemed to contain a provision, binding on the Company, that unless all the Sale Shares comprised in it are sold by the Company pursuant to this Article none shall be sold. Paragraph 15.1.4 of this Article shall not apply in so far as it entitles the Vendor to withdraw the Transfer Notice. Where a holder of 'A' Shares or 'B' Shares or 'C' Shares gives a Transfer Notice in circumstances where a Transfer Notice would otherwise be deemed to have been given by him he shall not be entitled to withdraw it.

- 15.6. For the purpose of ensuring that a transfer of shares is duly authorised, or that no circumstances have arisen whereby a Transfer Notice is deemed to have been given, the directors may require a holder of 'A' Shares or 'B' Shares or 'C' Shares, their legal representatives, the liquidator of a corporate holder of 'A' Shares or 'B' Shares or 'C' Shares or a person named as transferee in a transfer lodged for registration to furnish to the Company such information and evidence as the directors think fit regarding any matter they deem relevant to that purpose. If the information or evidence is not furnished

to the satisfaction of the directors within a reasonable time after the request, the directors shall be entitled to refuse to register the transfer in question.

- 15.7. In a case where no transfer is in question or if the information or evidence discloses that a Transfer Notice ought to be given in respect of any shares, the directors shall be entitled within a reasonable time to require, by notice in writing given to the registered holder, that a Transfer Notice be given in respect of the shares concerned.
- 15.8. A director who is, or is nominated by, the Vendor or the holder of the shares concerned shall not be entitled to vote at any board meeting at which a resolution considering the registration of a transfer or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned is proposed.
- 15.9. If the directors require that a Transfer Notice be given and it is not duly given within one month from the date of its being required, the Transfer Notice shall be deemed to have been given at the expiration of the month and the provisions of this Article shall take effect accordingly.
- 15.10. Subject to paragraphs 15.6 to 15.9 of this Article, the directors shall register any transfer made pursuant to or permitted by this Article but shall refuse to register any other transfer.

#### General meetings

16. The powers of consolidation, division, sub-division and cancellation of the share capital of the Company conferred by regulations 32(b), (c) and (d) of Table A shall be exercised by special resolution.
17. No business shall be transacted at any general meeting unless the requisite quorum is present. Three members present in person or by proxy (or, in the case of a corporate member, by representative) shall be a quorum for all purposes, provided that, whilst the issued share capital of the Company is divided into 'A' 'B' and 'C' Shares, one member is the holder of an 'A' Share another is the holder of a 'B' Share and the third is the holder of a 'C' Share (or their proxies). Where all the holders of a class have waived in writing the quorum requirement in relation to that class, the waiver shall be effective for the meeting or particular business, or otherwise, as specified in the waiver.
18. If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned to the same day (or, if that day is a holiday, to the next following working day) in the next week but one and at the same time and place or to such other date, time and place as the directors determine (not being more than 30 days nor less than 10 days after the date appointed for the general meeting unless agreed by the holders of not less than nine tenths in nominal value of the shares entitled to vote at the meeting). If at the adjourned meeting a quorum of one 'A' shareholder and one 'B' shareholder and one 'C' shareholder is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
19. Where a meeting is adjourned under Article 18 for 10 days or more, not less than 7 days' notice of the adjourned meeting shall be given as in the case of an original meeting.

20. The 'A' Shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of a 'B' director (as defined in Article 31) or a 'C' director (as defined in Article 33).
21. The 'B' Shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of an 'A' director (as defined in Article 29) or a 'C' director.
22. The 'C' Shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of an 'A' director or a 'B' director
23. If at a meeting a holder of any 'A' Shares is not present in person or by proxy, the votes exercisable on a poll in respect of the 'A' Shares held by members who are present in person or by proxy shall be pro tanto increased so that their 'A' Shares shall together entitle them to the same aggregate number of votes as could be cast in respect of all the 'A' Shares if all the holders were present.
24. If at a meeting a holder of any 'B' Shares is not present in person or by proxy, the votes exercisable on a poll in respect of the 'B' Shares held by members who are present in person by proxy shall be pro tanto increased so that their 'B' Shares shall together entitle them to the same aggregate number of votes as could be cast in respect of all the 'B' Shares if all the holders were present.
25. If at a meeting a holder of any 'C' Shares is not present in person or by proxy, the votes exercisable on a poll in respect of the 'C' Shares held by members who are present in person by proxy shall be pro tanto increased so that their 'C' Shares shall together entitle them to the same aggregate number of votes as could be cast in respect of all the 'C' Shares if all the holders were present.
26. A resolution shall not be validly passed unless at least one holder of 'A' Shares at least one holder of 'B' Shares and at least one holder of 'C' Shares vote in its favour.
27. Of the directors holding office at the date of adoption of these Articles, Peter Coates shall be designated as an 'A' director, Keith Ashley Humphreys as a 'B' director and Paul Ernest Doona as a 'C' director. Their appointment shall be treated as having taken place under Articles 29, 31 and 33 respectively.
28. The directors shall be not more than six in number.
29. The holders of a majority of the 'A' Shares may from time to time appoint any person to be a director but not more than one person shall at any one time hold office by virtue of an appointment by holders of 'A' Shares under this Article. Each director appointed under this Article is designated an 'A' director.

30. Each 'A' director may at any time be removed from office by the holders of a majority of the 'A' Shares.
31. The holders of a majority of 'B' Shares may from time to time appoint any person to be a director but not more than one person shall at any one time hold office by virtue of an appointment by the holders of 'B' Shares under this Article. Each director appointed under this Article is designated a 'B' director.
32. Each 'B' director may at any time be removed from office by the holders of a majority of the 'B' Shares.
33. The holders of a majority of 'C' Shares may from time to time appoint any person to be a director but not more than one person shall at any one time hold office by virtue of an appointment by the holders of 'C' Shares under this Article. Each director appointed under this Article is designated a 'C' director.
34. Each 'C' director may at any time be removed from office by the holders of a majority of the 'C' Shares
35. An appointment or removal shall be made in writing under the hands of the holders for the time being of the shares in whom the power of appointment or removal is vested, or their duly authorised agents, and shall take effect on and from the date on which notice in writing of it is lodged at the registered office of the Company or delivered to the secretary or to a meeting of the directors.
36. A director shall not be entitled to receive any remuneration in respect of his office as director or as an employee of the company, except that the company may appoint any number of its directors in an executive capacity, one only of whom from time to time may, subject to the terms of the appointment being notified to and approved by the Football Association and the League of which the company's first team is a member, receive remuneration from the company in consideration of such appointment. The directors may be paid all travelling, hotel and other expenses properly incurred by them in the performance of their duties.
37. A director does not require a shareholding qualification, but is nevertheless entitled to notice of and to attend and speak at any general meeting.

#### **Powers and duties of directors**

38. Subject to the provisions of the Act, a director may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a director. A director may vote in respect of the contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company. He may also be counted in the quorum at any meeting at which the matter is considered.

#### **Alternate directors**

39. A director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director appointed by him. When an alternate director is also a director or acts as an alternate director for more than one director, he shall have one vote for every director represented by him (in addition to his own vote if he is himself a director). When acting, he shall be considered as two directors for the purpose of making a quorum if the quorum exceeds two.

#### **Disqualification of directors**

40. Regulation 81 of Table A shall be amended by substituting the following for paragraphs (c) and (e):
- 40.1. he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director; or
- 40.2. he is otherwise duly removed from office.

A director shall not be required to vacate his office or be ineligible for re-election, and no person shall be ineligible for appointment as a director, by reason only of his attaining or having attained any particular age.

#### **Proceedings of directors**

41. Regulation 88 of Table A shall be amended by substituting for the sentence:
- It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom.
- the following sentence:
- Notice of every meeting of directors shall be given to each director, including directors who are absent from the United Kingdom and have given the Company their addresses outside the United Kingdom.
42. Questions arising at any meeting of the directors or of any committee shall be decided by a majority of votes of the directors present. The chairman shall not have a second or casting vote and regulation 88 of Table A shall be modified accordingly
43. The quorum necessary for the transaction of business at any meeting of the directors or of any committee is one 'A' director one 'B' director and one 'C' director. Regulation 89 of Table A shall be amended accordingly.
44. The words 'of filling vacancies, or' shall be omitted from regulation 90 of Table A.

#### **Capitalisation of profits**

45. The words 'special resolution' shall be substituted for the words 'ordinary resolution' in regulation 110 of Table A. On any occasion when shares are allotted and distributed credited as fully paid under the provisions of regulation 110 of Table A (as

amended by this Article) the shares allotted to holders of 'A' Shares shall be or be designated 'A' Shares, the shares allotted to holders of 'B' Shares shall be or be designated 'B' Shares and shares allotted to holders of 'C' Shares shall be or be designated 'C' Shares.

#### Notices

46. Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including telex, facsimile and electronic mail. A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 of Table A shall be amended accordingly.

#### Indemnity

47. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company is entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office, including any liability incurred by him (a) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part; or (b) in connection with any application in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company. The Company may purchase and maintain for any person to whom this Article applies insurance against any liability in respect of which he is entitled to be indemnified.