

PRIVATE COMPANY LIMITED BY SHARES

**Articles of Association
of
The Motherwell Football and Athletic Club Limited**



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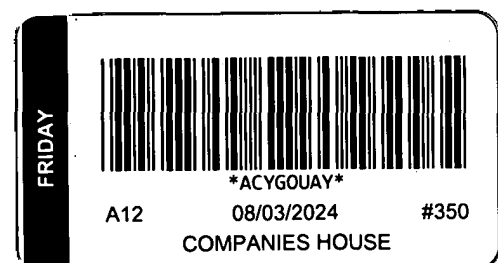


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COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

THE MOTHERWELL FOOTBALL AND ATHLETIC CLUB LIMITED (the "Company")

1 EXCLUSION OF MODEL ARTICLES

None of the regulations contained in the Companies (Model Articles) Regulations 2008 or the Companies (Tables A-F) Regulations 1985 ("**Table A**") apply to the Company and these Articles alone are the articles of association of the Company.

2 INTERPRETATION

2.1 In these Articles, unless the context requires otherwise:

"**Act**" means the Companies Act 2006;

"**A Director**" means any Director appointed to the Company in accordance with Article 21

"**A Ordinary Shares**" means A Ordinary Shares of £1.00 each in the capital of the Company from time to time;

"**A Ordinary Shareholder**" means a person who is the holder of A Ordinary Shares;

"**Acceptance**" has the meaning given to that term in article 29;

"**Additional Acceptance**" has the meaning given to that term in article 29;

"**Alternate**" or "**Alternate Director**" has the meaning given to that term in article 14;

"**Appointor**" has the meaning given to that term in article 14;

"**Articles**" means these articles of association;

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

"Bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales, Scotland or Northern Ireland which have an effect similar to that of bankruptcy;

"Borrowings" means all borrowings and third party indebtedness including:

- (a) the amount payable under any hire purchase, credit sale, conditional sale, leasing or similar agreement (other than a lease of real or heritable property) which can, in accordance with generally accepted accounting practice, be attributed to capital;
- (b) the amount of any payment for goods and services which is deferred (except for deferred payments within the routine course of trading);
- (c) the nominal amount of any issued share capital and the principal amount of any debentures or borrowed money, together with any fixed or minimum premium payable on redemption or repayment, of any body (whether corporate or unincorporated) the beneficial interest in which is not for the time being owned by a member of the Group and the redemption or repayment of which is the subject of a guarantee or indemnity by a member of the Group;
- (d) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit facility opened on behalf of and in favour of any member of the Group;
- (e) the principal amount of any debenture (whether secured or unsecured) of any member of the Group owned otherwise than by a member of the Group;
- (f) the principal amount of any preference share capital of any subsidiary owned otherwise than by a member of the Group;
- (g) the amount payable under any letter of credit issued in respect of the obligation of any member of the Group; and
- (h) any fixed or minimum premium payable on final redemption or repayment of any borrowing or deemed borrowing.

"Capitalised Sum" has the meaning given to that term in article 60;

"Chairman" has the meaning given to that term in article 17;

"Change of Control" has the meaning given to that term in article 48;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company;

"Company's lien" has the meaning given to that term in article 33;

"Deemed Transfer Notice" has the meaning given to that term in article 48;

"Deferred Shares" means deferred shares of £1.00 each in the capital of the Company;

"Deferred Shareholder" means a person who is a holder of a Deferred Share;

"Director" means a director of the Company, and includes any person occupying the position of director, by whatever name called;

"Disposal" means the disposal, transfer, purchase, assignment or otherwise of all or effectively all the business, undertaking and assets of the Company whether through a single transactions or a series of transactions;

"Distribution Recipient" has the meaning given to that term in article 55;

"Eligible Director" has the meaning given to that term in article 12;

"Family Member" has the meaning given to that term in article 46;

"Family Trust" has the meaning given to that term in article 46;

"Fully Paid" in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

"Group" means the Company, any subsidiary of the Company, any holding company of the Company and any subsidiary of such holding company;

"Group Borrowings" means the aggregate amount for the time being outstanding of all Borrowings of members of the Group (excluding amounts borrowed from one member of the Group by another member of the Group);

"Holder" in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;

"Interested Directors" has the meaning given to that term in article 18.4;

"Listing" means the admission to listing of any of the equity share capital of the Company on any recognised investment exchange (as defined in the Financial Services and Markets Act 2000) and **"Listed"** shall be construed accordingly;

"Management Committee" means the directors of the Company comprising the Chief Executive and four directors appointed by the Ordinary Shareholders;

"Market Value" has the meaning given to that term in article 47;

"Net Profits" means the profit of the Group calculated on the historical cost accounting basis and in accordance with the accounting practices, policies and bases of the Company, consistently applied, which are generally accepted in the United Kingdom and as shown in the audited profit and loss account of the Company for the relevant financial year:

- (a) before provision for, or deducting the amount of, any dividends payable or any provision in respect of redemption of, or any distribution on any Share;
- (b) before provision for the transfer of any sum to reserve or writing off goodwill or any other intangible item;
- (c) after exceptional items and before special items;
- (d) before deducting corporation tax (and any other tax levied upon or measured by reference to profits or gains) on such profits (including any provision for deferred tax); and
- (e) after adding back any amount payable to any director or other senior executive by reference to the profits of the Group or of any member of the Group other than dividends or other distributions taken into account at paragraph (a) of this definition.

"Offer Notice" has the meaning given to that term in article 47;

"Ordinary Director" means any Director appointed to the Company in accordance with Article 21;

"Ordinary Shares" means Ordinary Shares of £1.00 each in the capital of the Company;

"Ordinary Shareholder" means a person who is a holder of an Ordinary Share;

"Persons Entitled" has the meaning given to that term in article 60;

"Pre-emption offer" has the meaning given to that term in article 29;

"Proxy Notice" has the meaning given to that term in article 72;

"Proxy Notification Address" has the meaning given to that term in article 73;

"Purchaser" has the meaning given to that term in article 47;

"Relevant Company" has the meaning given to that term in article 18;

"Relevant Director" has the meaning given to that term in article 79;

"Relevant Loss" has the meaning given to that term in article 79;

"Sale Notice" has the meaning given to that term in article 47;

"Sale Price" has the meaning given to that term in article 47;

"Sale Shares" has the meaning given to that term in article 47;

"Sale" means the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company such that it gives rise to a Change of Control whether through a single transaction or a series of transactions and for the purposes of this definition

"disposal" means:

(a) a sale, transfer, assignment or other disposition whereby a person ceases to:

(i) be the absolute beneficial owner of the share in question; or

(ii) hold the voting rights attached thereto; or

(b) an agreement to enter into such disposal;

"Shares" means the A Ordinary Shares, the Ordinary Shares and the Deferred Shares;

"Shareholder" means a holder of A Ordinary Shares, Ordinary Shares or Deferred Shares;

"Specified Price" has the meaning given to that term in article 47;

"Surplus Shares" has the meaning given to that term in article 29;

"Total Transfer Condition" has the meaning given to that term in article 47;

"Transfer Notice" has the meaning given to that term in article 47;

"Transferor" has the meaning given to that term in article 47;

"Transmittee" means a person entitled to a Share as a result of the death or Bankruptcy of a Shareholder or otherwise by operation of law;

"Valuers" means the Auditors of the Company unless:

- (i) a report on the market value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the deemed Transfer Notice, the Transferor [or Leaver] notifies the Directors in writing that it objects to the Auditors making that report; or
- (ii) the Auditors give notice to the Company that they decline an instruction to report on market value,

when Valuers will mean a firm of chartered accountants agreed between the Transferor and the Directors or, in default of agreement within 20 working days after the event referred to in (i) or (ii) above, appointed by the President of the Institute of Chartered Accountants in Scotland on the application of the Transferor or the Directors; and

2.2 References in these Articles to Shares being **"paid"** means those Shares being paid or credited as paid;

2.3 References in these Articles to **"writing"** means representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

2.4 References in these Articles to a document includes, unless otherwise specified, any document sent or supplied in electronic form.

2.5 Unless the context otherwise requires:

- (i) words in the singular include the plural and vice versa;
- (ii) words in one gender include the other genders; and
- (iii) words importing natural persons include corporations.

2.6 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles including the following words which are defined in the following sections of the Act:

Word(s)/expression	Section Number in Act
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electronic form	section 1168
equity share capital	section 548
eligible member	section 289
hard copy form	section 1168
ordinary resolution	section 282
special resolution	section 283
subsidiary	section 1159
subsidiary undertaking	section 1162
working day	section 1173

2.7 A reference to an article by number is to the relevant article of these Articles.

2.8 Headings used in these Articles do not affect their construction or interpretation.

2.9 References to a statute or statutory provision is a reference to it as it is in force as at the date of adoption of these Articles.

3 **LIMITATION OF LIABILITY OF SHAREHOLDERS**

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

4 **SHARES**

The rights attached to the A Ordinary Shares, Ordinary Shares and Deferred Shares are as follows:

4.1 **Dividend**

Any profits which the Company determines to distribute in respect of any financial year shall be applied in distributing the balance of such profits *pro rata* amongst the A Ordinary Shareholders and the Ordinary Shareholders according to the number of A Ordinary Shares, and Ordinary Shares held by them. Deferred Shareholders shall have no rights to a payment of dividends.

4.2 **Voting**

Each holder of A Ordinary Shares or Ordinary Shares shall be entitled to receive notice of and to attend and speak at general meetings of the Company and a holder of the A Ordinary Shares or Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present as a duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, have one vote for each A Ordinary Share or Ordinary Share of which he is a holder. Deferred Shareholders shall be entitled to receive notice of and attend all general meetings of the Company but shall not be entitled to vote or speak at any general meeting of the Company.

4.3 **Return of Capital**

On a return of capital the provisions of Article 5 apply.

4.4 **Proceeds of Sale**

On the occurrence of a Sale the provisions of Article 6 shall apply.

4.5 **A Director**

For so long as there are A Ordinary Shares in issue, the holders of the A Ordinary Shares shall have the right to appoint two directors to the Board (the "**A Directors**")

5 **RETURN OF CAPITAL**

5.1 On a return of capital whether on liquidation or capital reduction or otherwise (other than a redemption or purchase of shares in accordance with these Articles) the surplus assets of the Company remaining after the payment of its liabilities shall be applied:

- (a) firstly in paying to each of the A Ordinary Shareholders and the Ordinary Shareholders any dividends thereon which have been declared but are unpaid;
- (b) secondly, in paying to each of the A Ordinary Shareholders and the Ordinary Shareholders an amount equal to the amount paid up on each Share held by them; and
- (c) thereafter in distributing the balance of such assets amongst each of the A Ordinary Shareholders and the Ordinary Shareholders *pro rata* to the number of Shares held by them.

5.2 Deferred Shareholders shall have no rights to the surplus assets of the Company.

6 PROVISIONS ON A SALE

6.1 If a Sale, occurs proceeds from such Sale shall be divided amongst the A Ordinary Shareholders and the Ordinary Shareholders *pro rata* to the number of A Ordinary Shares and Ordinary Shares held by them.

6.2 Deferred Shareholders shall have no right to receive any proceeds from a Sale.

7 DIRECTORS' GENERAL AUTHORITY

Subject to Article 8 the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

8 VARIATION OF CLASS RIGHTS

8.1 Whenever the share capital of the Company is divided into different classes of share, the special rights attached to one class of share may only be varied or abrogated with the consent of Shareholders representing not less than 75% of the total voting rights of eligible members of the relevant class of share unless the terms of issue of the shares in question provide otherwise. Any consent required by this article must be in writing and may consist of one document or several documents whether or not in the same form.

8.2 Notwithstanding article 8.1, the special rights attached to the A Ordinary Shares and the Ordinary Shares will be deemed to be treated as varied and therefore require consent in accordance with article 8.1 if at any time a meeting is called for the purpose of considering or a resolution is passed providing for:

- (a) any alteration in the issued share capital of the Company;
- (b) any alteration to the articles of association of any member of the Group;
- (c) any re-organisation, sub-division, reclassification or conversion of any shares in the Company or the modification, variation or abrogation of the rights attaching to any class of shares in the capital of the Company

8.3 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

9 DIRECTORS MAY DELEGATE

9.1 The Directors may delegate any of the powers which are conferred on them under these Articles:

- (a) to such person or committee;

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

as they think fit.

9.2 Notwithstanding Article 9.1 the A Directors may not delegate any of the powers conferred on them without the prior written consent of the Ordinary Directors.

9.3 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated, subject always to the A Directors obtaining the prior written consent of the Ordinary Directors to any such further delegation of the A Directors powers.

9.4 The Directors may revoke any delegation in whole or part, or alter its terms and conditions from time to time.

10 COMMITTEES

10.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.

10.2 Subject to article 10.3 the Management Committee shall be responsible for the day to day running of the Company. The Management Committee shall be composed of Ordinary Directors only.

10.3 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

10.4 The quorum for the Management Committee is two Ordinary Directors.

11 PROCEEDINGS OF DIRECTORS

11.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with article 12.

11.2 All acts done by a meeting of Directors, or a committee of Directors or by any Director shall, even if it is discovered afterwards that:

- (a) there was a defect in the appointment of any Director; or
- (b) any Director had been disqualified from holding office; or
- (c) any Director had vacated office or was not entitled to vote

be 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.

12 UNANIMOUS DECISIONS

12.1 A decision of the Directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

12.2 A decision taken in accordance with article 12.1 may take the form of a resolution in writing where each Eligible Director has signed one or more copies of it or to which each Eligible Director has otherwise indicated agreement in writing.

12.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

12.4 The term "**Eligible Director**" means a Director who would have been entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).

13 CALLING A DIRECTORS' MEETING

13.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.

13.2 Notice of any Directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place;
- (c) the proposed business of the meeting; and

- (d) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

13.3 At least seven days' notice of a Directors' meeting must be given to each Director, but the notice need not be in writing.

13.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days before the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

14 ALTERNATE DIRECTORS

14.1 Subject to Article 14.2 any Director (the "**Appointor**") may appoint as an alternate any other Director, or another person approved by resolution of the Directors to:

- (a) exercise that Director's powers; and
- (b) carry out that Director's responsibilities;

in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor (the "**Alternate Director**" or "**Alternate**"). In these Articles, where the context so permits, the term "A Director" or "Ordinary Director" includes an Alternate Director appointed by an A Director or an Ordinary Director as the case may be. A person may be appointed an Alternate Director by more than one Director provided that each of his appointers represents the same class of shares but not otherwise.

14.2 Any appointment of an Alternate Director by an A Director is subject to the prior approval of Ordinary Directors in their sole discretion.

14.3 Any appointment or removal of an Alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

14.4 The notice must:

- (a) identify the proposed Alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the alternate of the Director giving the notice.

14.5 An Alternate Director may act as Alternate director to more than one Director and has the same rights, in relation to any decision of the Directors as the Alternate's Appointor.

14.6 Alternate Directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors;
- (d) are not deemed to be agents of or for their Appointors;

and in particular, (but without limitation) each Alternate Director is entitled to receive notice of all meetings of Directors and all meetings of committees of Directors of which his Appointor is a member.

14.7 A person who is an Alternate Director but not a Director:

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
- (b) may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision and does not participate);

and no Alternate may be counted as more than one Director for such purposes.

14.8 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

14.9 An Alternate Director's appointment as an Alternate terminates:

- (a) when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence in relation to the Alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
- (c) on the death of the Alternate's Appointor; or
- (d) when the Alternate's Appointor's appointment as a Director terminates.

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

- (a) not participating in a Directors' meeting; and
- (b) would have been entitled to vote if they were participating in it,

but does not count as more than one Director for the purposes of determining whether a quorum is present.

15 PARTICIPATION IN DIRECTORS' MEETINGS

15.1 Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with these Articles; and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

15.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

15.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

16 QUORUM FOR DIRECTORS' MEETINGS

16.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

16.2 The quorum for Directors' meetings may be fixed from time to time by an ordinary resolution but it must never be less than 1 A Director and 2 Ordinary Directors.

16.3 To the extent that no A Directors are appointed as directors of the Company or the A Director does not attend, or has waived its right to attend the Directors meetings the quorum for Directors meetings must never be less than 2 Ordinary Directors.

16.4 If the necessary quorum is not present within 30 minutes from the time appointed for the meeting or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine; and if at the adjourned Directors' meeting a quorum is not present within half an hour from the time appointed therefor such adjourned Directors' meeting shall proceed so long as at least two Ordinary Directors are present.

- 16.5 A person holding office as an Alternate Director shall only be counted in the quorum if his Appointor is not present.
- 16.6 If
- (a) A Directors are appointed as Directors of the Company and the total number of Directors for the time being is less than one A Director and two Ordinary Directors, the Directors in office must not take any decision other than a decision to:
 - (i) appoint further Directors; or
 - (ii) call a general meeting so as to enable the Shareholders to appoint further Directors.
 - (b) no A Directors are appointed as Directors of the Company and the total number of Directors for the time being is less than two Ordinary Directors, the Directors in office must not take any decision other than a decision to:
 - (i) appoint further Directors; or
 - (ii) call a general meeting so as to enable the Shareholders to appoint further Directors

17 CHAIRING OF DIRECTORS' MEETINGS

- 17.1 The Directors may appoint an Ordinary Director to chair their meetings.
- 17.2 The person so appointed for the time being is known as the Chairman.
- 17.3 The Directors may terminate the Chairman's appointment at any time.
- 17.4 If the Chairman is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.
- 17.5 Questions arising at any meeting of the Directors must be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) does not have a casting vote.

18 CONFLICTS OF INTEREST

- 18.1 Subject to article 18.4, the Directors may authorise any matter proposed to it in accordance with these Articles which would, if not so authorised, result in a Director infringing his duty under section 175 of the Act to avoid a situation in which he has, or can have, a direct or

indirect interest that conflicts or possibly may conflict with the interests of the Company.

- 18.2 Any authorisation of a matter under article 18.1 may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 18.3 A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 18.4 Any authorisation given pursuant to article 18.1:
- (a) will only be effective if:
 - (i) the Director in question provides the other Directors with written details of the matter in respect of which authorisation is being sought (including the nature and extent of his interest in such matter) or in such other manner as the other Directors may from time to time direct;
 - (ii) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question and any other interested Director (the "**Interested Directors**"); and
 - (iii) the matter was agreed to without any Interested Director voting or would have been agreed to if the votes of any Interested Director had not been counted;
 - (b) may be given subject to any limits or conditions (including as to duration) as the Directors may expressly impose from time to time; and
 - (c) may be varied or terminated by the Directors at any time (but this will not affect anything done by the relevant Director prior to such variation or termination in accordance with the terms of such authority).
- 18.5 The provisions of this article do not apply to any conflict of interest arising in relation to a transaction or arrangement with the Company.
- 18.6 In relation to any matter authorised by the Directors in accordance with the provisions of this article 18, the relevant Director may (for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists):
- (a) absent himself from any meeting of the Directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise;
 - (b) abstain from voting at any meeting of the Directors on any resolution relating to any matter that gives rise to the conflict of interest or possible conflict of interest;

- (c) make arrangements not to be given any documents or information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company provided that the relevant Director may make arrangements for such documents and information to be received and read by a professional adviser;
- (d) decide not to disclose any information which he has obtained in connection with the matter that gives rise to the conflict of interest or possible conflict of interest to the Directors or to any other officer or employee of the Company; and/or
- (e) decide not to use or apply any such information in performing his duties as a Director of the Company

and the relevant Director's general duties will not be infringed by anything done or omitted to be done by the relevant Director in accordance with paragraphs (a) to (e) above.

18.7 Subject to his declaring the nature and extent of the interest in accordance with article 19 (save in the case of an interest falling within paragraph (a) below which shall not require to be so declared), a Director is permitted to have an interest of the following kind:

- (a) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) where the Director (or a person connected with him) is a Director or other officer of or employed by or otherwise interested (including by the holding of Shares) in any Relevant Company;
- (c) where the Director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested;
- (d) where the Director (or any person connected with him) acts (or any firm of which is a partner, employee or member acts) in a professional capacity for a Relevant Company (other than as auditor) whether or not he is remunerated for such actions;
- (e) any other interest authorised by ordinary resolution.

and no authorisation pursuant to article 18.1 will be required in relation to such an interest.

18.8 In this article:

- (a) a "**Relevant Company**" means;
 - (i) the Company;

- (ii) The Well Society Limited;
 - (iii) any subsidiary or subsidiary undertaking of the Company;
 - (iv) any holding company of the Company or any subsidiary or subsidiary undertaking of any such holding Company;
 - (v) any body corporate promoted by the Company; or
 - (vi) any body corporate in which the Company is otherwise interested.
- (b) a person is connected with a Director if he is connected to him in terms of section 252 of the Act.

19 **DECLARATION OF INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY**

- 19.1 A Director who is in any way directly or indirectly interested in a proposed transaction or arrangement with the Company must declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement.
- 19.2 A Director who is in any way directly or indirectly interested in a transaction or arrangement that has been entered into by the Company must declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable unless the interest has already been declared pursuant to article 19.1.
- 19.3 Any declaration required by article 19.1 may (but need not be) be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act. Any declaration required by article 19.2 must be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act.
- 19.4 If a declaration made pursuant to article 19.1 or 19.2 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under article 19.1 or 19.2 as appropriate.
- 19.5 A Director need not declare an interest if:
- (a) it cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (b) to the extent that the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or

- (c) to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles; or
- (d) the Director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware).

19.6 Provided he has declared the nature and extent of his interest in accordance with article 19.1, a Director is entitled to vote on any resolution of the Directors or of a committee of the Directors concerning any contract, transaction, arrangement or proposal to which the Company is or is to be a party and in which he (or a person connected with him within the meaning of section 252 of the Act) has an interest and shall be counted in the quorum for the meeting of Directors in relation to such contract, transaction, arrangement or proposal.

19.7 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected with him within the meaning of section 252 of the Act) derives from any contract, transaction or arrangement or from any office, employment or position which has been approved by the Board pursuant to Article 18.1.

19.8 In this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.

19.9 Subject to article 19.10, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive.

19.10 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

20 RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors. Where decisions of the Directors are taken by electronic means, such decisions must be recorded by the Directors in permanent form so that they may be read by the naked eye.

21 NUMBER AND METHODS OF APPOINTING DIRECTORS

21.1 The number of Directors shall be eight, made up of two A Directors and six Ordinary Directors. If no A Directors appointed as Directors of the Company then the number of Directors shall be no less than six and no more than eight Ordinary Directors.

- 21.2 The holders of the A Ordinary Shares may, by notice in writing to the Company and the holders of the Ordinary Shares in accordance with Article 21.8 appoint 2 persons to be Directors of the Company (any such Directors so appointed being called "**A Directors**").
- 21.3 Any A Director may at any time be removed from office by the holder of the A Ordinary Shares in accordance with Article 21.8.
- 21.4 The holders of the Ordinary Shares may, by notice in writing to the Company in accordance with Article 21.8 appoint six persons to be Directors of the Company (any such Directors so appointed being called "**Ordinary Directors**")
- 21.5 Any Ordinary Director may at any time be removed from office by the holder of the Ordinary Shares in accordance with Article 21.8.
- 21.6 No A Director shall be appointed until the Ordinary Directors are in their sole discretion satisfied that the A Director is a fit and proper person taking into account all the circumstances including, but not limited to the A Director having complied with any Scottish Football Association or Scottish Premier League, (or any other organisation interested in the conduct of football clubs) fit and proper person tests or guidelines as may be in existence from time to time.
- 21.7 If any A Director or any Ordinary Director dies or is removed from or vacates office for any reason, the holder of a majority of the A Ordinary Shares (in the case of an A Director) or the holder of a majority of the Ordinary Shares (in the case of an Ordinary Director) shall appoint in his place another person to be an A Director or an Ordinary Director (as the case may be).
- 21.8 Any appointment or removal of a Director by the Shareholders of the Company pursuant to this Article 21 must be in writing and signed by or on behalf of the holder(s) of a majority of the issued A Ordinary Shares or Ordinary Shares (as the case may be) and served on the Company at its registered office, marked for the attention of the Secretary. Any such appointment or removal takes effect as at the time of such lodgement or delivery or at such later time as may be specified in such notice.
- 21.9 Where the Ordinary Shareholders wish to appoint a director to the Board, they shall not require the prior approval of the holders of the A Ordinary Shares.
- 21.10 If no A Ordinary Shares or Ordinary Shares remain in issue following a redesignation under these Articles, any Director appointed by a holder of Shares of that class will be deemed to have been removed as from the time of the redesignation.
- 21.11 No A Director or Ordinary Director may be appointed or removed otherwise than pursuant to this Article, save as provided by law.

22 CHIEF EXECUTIVE OFFICER

22.1 The Directors shall be entitled to elect one of the Ordinary Directors to the role of Chief Executive Officer of the Company.

22.2 A person shall cease to be the Chief Executive Officer as soon as:

- (a) he is removed from office by notice in writing signed by all the other Directors (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company) and, for this purpose, a set of like notices each signed by, one or more of the Directors shall be as effective as a single notice signed by the requisite number of Directors; or
- (b) he is removed as a director by ordinary resolution provided that such removal shall be without prejudice to any claim he may have for breach of contract between him and the Company.

23 **TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; or
- (b) a bankruptcy order is made against that person; or
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (f) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms; or
- (g) he has, for more than three consecutive meetings been absent without the permission of the other Directors from meetings of Directors held during that period and the other Directors resolve that he has ceased to be a Director; or

- (h) in the case of an A Director only, it is the opinion of the Ordinary Directors, in their sole discretion, that the A Director is not a fit and proper person to hold an appointment as Director;
- (i) in the case of an executive Director only, he ceases to be employed by any member of the Group and does not continue as an employee of any other member of the Group; or
- (j) he is removed as a director by ordinary resolution provided that such removal shall be without prejudice to any claim he may have for breach of contract between him and the Company.

24 DIRECTORS' REMUNERATION

24.1 Directors may undertake any services for the Company that the Directors decide.

24.2 Directors are entitled to such remuneration as the Directors determine:

- (a) for their services to the Company as Directors; and
- (b) for any other service which they undertake for the Company.

24.3 A Director's remuneration may:

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

24.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

24.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

25 DIRECTORS' EXPENSES

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

- (a) meetings of Directors or committees of Directors;

(b) general meetings; or

(c) separate meetings of the Holders of any class of Shares or of debentures of the Company;

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

26 COMPANY SECRETARY

The Company must have a company secretary.

27 POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

27.1 Without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.

27.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the Holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.

28 DIRECTORS' POWER TO ALLOT SHARES

The Directors may offer or allot Shares, grant rights to subscribe for or to convert any security into or otherwise deal in, or dispose of Shares on such terms and at such time as they may decide.

29 OFFERS OF NEW SHARES TO EXISTING SHAREHOLDERS

29.1 Save where either (i) the holders of at least 75% of the A Ordinary Shares and the holders of at least 75% of the Ordinary Shares have given their prior written consent, or the offer of Shares is A Ordinary Shares to The Well Society Limited, the Directors must offer any Shares which they propose to offer or allot or grant rights to subscribe for or to convert any security into or otherwise deal in or dispose of to Shareholders (other than Shareholders in respect of whom a Transfer Notice is deemed to have been served in accordance with article 48), in accordance with the provisions of this article 29 before they are offered or allotted to or rights are granted in respect of such Shares to any other person.

- 29.2 The Directors must make an offer to allot in the first instance to Shareholders who hold Shares of the same class as the shares to be allotted and to the extent not accepted by those Shareholders, to Shareholders holding Shares of other classes, in proportion of the Shares that is as nearly as practicable equal to the proportion in nominal value held by such Holder of the equity share capital of the Company (the "**Pre-emption offer**"). Each Pre-emption offer must be made in writing and sent to all Shareholders on the same day (which for the purposes of this article will be the date of the Pre-emption offer) and must state:
- (a) the aggregate number and class of Shares to be allotted;
 - (b) the terms of such allotment; and
 - (c) the number of Shares offered for sale to the Shareholder to whom the Pre-emption offer is addressed.
- 29.3 The following conditions must be incorporated in the Pre-emption offer:
- (a) if the Shareholder wishes to purchase all or any of the Shares which are subject to the Pre-emption offer (the "**Offered Shares**"), he must accept the Pre-emption offer in writing in accordance with the provisions of article 75 within 14 days of the date of service of the Pre-emption offer (the "**Acceptance**"); and
 - (b) if the Shareholder wishes to purchase more than the number of Offered Shares he must indicate in the Acceptance, the maximum number of additional Shares he is willing to purchase (the "**Additional Acceptance**"); and
 - (c) if within 14 days of the date of the Pre-emption offer there are Shares which have not been accepted for purchase by the Shareholders (the "**Surplus Shares**"), the Surplus Shares will be allocated to and deemed to be accepted by each Shareholder who has made an Additional Acceptance; and
 - (d) if there are insufficient Surplus Shares to satisfy all Additional Acceptances, the number of Surplus Shares to be allocated to each Shareholder who has made an Additional Acceptance must be calculated according to the proportion which the number of Fully Paid Shares held by the relevant Shareholder as at the date of the Pre-emption offer bears to the aggregate number of Fully Paid Shares held by all Shareholders who have made an Additional Acceptance. Each Shareholder who made an Additional Acceptance will be deemed to agree to purchase the number of Surplus Shares allocated to him pursuant to such calculation; and
 - (e) each Shareholder must no later than five working days after the allocation of Shares to him pay to the Company the total subscription price payable for such Shares and upon payment of such sum, the Company must deliver a share certificate to the relevant Shareholder for the number of Shares purchased by him.
- 29.4 If any Pre-emption offer is not accepted in full, the Directors may within three months after the date of such offer dispose of any Shares referred to in the Pre-emption offer and not allotted to any Shareholder to such person or persons as they think fit but only at the same

price and on the same terms as to payment if any which were specified in the Pre-emption offer.

29.5 Sections 561 and 562(1) to (6) of the Act shall not apply to the Company.

30 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

The Company may recognise in such manner and to such extent as it may in its absolute discretion think fit any trusts in respect of Shares. If the Company does recognise any such trust, it is not bound to see to the execution, administration or observance of any trust (whether express, implied or constructive) in respect of any Shares and shall be entitled to recognise and give effect to the acts and deeds of the Holders of such Shares as if they were the absolute owners of such Shares. In this article, "trust" includes any right in respect of any Shares other than an absolute right or any other rights in transmission.

31 SHARE CERTIFICATES

31.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

31.2 Every certificate must specify:

- (a) in respect of how many Shares, and of what class, it is issued;
- (b) the nominal value of those Shares;
- (c) the amount paid up on them; and
- (d) any distinguishing numbers assigned to them.

31.3 No certificate may be issued in respect of Shares of more than one class.

31.4 If more than one person holds a Share, only one certificate may be issued in respect of the Share.

31.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

32 REPLACEMENT SHARE CERTIFICATES

32.1 If a certificate issued in respect of a Shareholder's Shares is:

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

32.2 A Shareholder exercising the right to be issued with such a replacement certificate:

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

33 COMPANY'S LIEN OVER PARTLY PAID SHARES

33.1 The Company has a lien (the "**Company's lien**") over every Share which is partly paid for any part of:

- (a) that Share's nominal value; and
- (b) any premium at which it was issued,

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a Call Notice has been sent in respect of it.

33.2 The Company's lien over a Share:

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

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

34 **ENFORCEMENT OF THE COMPANY'S LIEN**

34.1 Subject to the provisions of this article, if:

- (a) a lien enforcement notice has been given in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide.

34.2 A lien enforcement notice:

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

34.3 Where Shares are sold under this article:

- (a) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

34.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
- (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable in respect of the Shares after the date of the lien enforcement notice.

34.5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's lien on a specified date:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- (b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.

35 CALL NOTICES

35.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring that Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable in respect of Shares which that Shareholder holds at the date when the Directors decide to send the Call Notice.

35.2 A Call Notice:

- (a) may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
- (b) must state when and how any Call to which it relates it is to be paid; and
- (c) may permit or require the Call to be paid by instalments.

35.3 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 days have passed since the notice was sent.

35.4 Before the Company has received any Call due under a Call Notice the Directors may:

- (a) revoke it wholly or in part, or
- (b) specify a later time for payment than is specified in the notice,
- (c) by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.

36 **LIABILITY TO PAY CALLS**

36.1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

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

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

- (a) to pay Calls which are not the same, or
- (b) to pay Calls at different times.

37 **WHEN CALL NOTICE NEED NOT BE ISSUED**

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

- (a) on allotment;
- (b) on the occurrence of a particular event; or
- (c) on a date fixed by or in accordance with the terms of issue.

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

38 FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

38.1 In this article:

- (a) the "**Call Payment Date**" is the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "Call Payment Date" is that later date;
- (b) the "**Relevant Rate**" is:
 - (i) the rate fixed by the terms on which the share in respect of which the Call is due was allotted;
 - (ii) such other rate as was fixed in the call notice which required payment of the Call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, 5 per cent per annum.

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

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

38.3 The Relevant Rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

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

39 NOTICE OF INTENDED FORFEITURE

A notice of intended forfeiture:

- (a) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;
- (b) must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, Bankruptcy or otherwise;

- (c) must require payment of the Call and any accrued interest by a date which is not less than 14 days after the date of the notice;
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.

40 DIRECTORS' POWER TO FORFEIT SHARES

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

41 EFFECT OF FORFEITURE

41.1 Subject to these articles, the forfeiture of a Share extinguishes:

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

41.2 Any Share which is forfeited in accordance with these Articles:

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

41.3 If a person's Shares have been forfeited:

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
- (b) that person ceases to be a member in respect of those Shares;

- (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
- (d) that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- (e) the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

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

42 PROCEDURE FOLLOWING FORFEITURE

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

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

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- (b) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.

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

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

- (a) was, or would have become, payable, and
- (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,
- (c) no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

43 SURRENDER OF SHARES

43.1 A Shareholder may surrender any Share:

- (a) in respect of which the Directors may issue a notice of intended forfeiture;
- (b) which the Directors may forfeit; or
- (c) which has been forfeited.

43.2 The Directors may accept the surrender of any such Share.

43.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share,

43.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

44 SHARE TRANSFERS - GENERAL

44.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.

44.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.

44.3 The Company may retain any instrument of transfer which is registered.

44.4 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

44.5 The Directors may refuse to register the transfer of a Share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal (which must contain the reasons for the refusal) unless they suspect that the proposed transfer may be fraudulent.

44.6 Save as expressly permitted by these Articles, a Shareholder must not enter into any arrangement where the terms upon which that Shareholder holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished.

44.7 Notwithstanding any other provision of these Articles, the Directors must not register a transfer of any Share or any interest in any Share to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

45 **DIRECTORS' POWERS ON TRANSFER OF SHARES**

45.1 The Directors must not register the transfer of any Share or any interest in any Share unless the transfer:

- (a) is permitted by article 46; or
- (b) is made in accordance with article 47 or 48.

45.2 The Directors may at any time require any Shareholder or any person named as transferee in an instrument of transfer lodged for registration to give the Directors such information and evidence as the Directors believe is relevant to ensure that a transfer of Shares is being made in accordance with these Articles or that no circumstances have arisen which would result in a Transfer Notice being bound to be given or being deemed to have been given.

45.3 If the Directors are not given such information or evidence within 20 days after they have requested it, the Directors may in their absolute discretion give notice of refusal to register the transfer concerned together with reasons for the refusal to the person named as transferee or require the Shareholder by written notice to give a Transfer Notice in respect of the relevant Shares. If the information or evidence received by the Directors discloses to their satisfaction that a Shareholder may be bound to give or is deemed to have given a Transfer Notice, the Directors may in their absolute discretion by written notice to the relevant Shareholder require that a Transfer Notice be given in respect of the relevant Shares.

45.4 An obligation to transfer a Share under these Articles is an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance.

46 **PERMITTED TRANSFERS**

46.1 In this article:

- (a) "**Family Member**" means, in relation to a Shareholder, any of his mother, father, spouse (or widow or widower), civil partner, children and grandchildren (including step and adopted children and grandchildren) and other lineal ascendants or descendants; and
- (b) "**Family Trust**" means, in relation to a Shareholder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder or any of his Family Members and under which no power of control over the voting powers conferred by any Shares, the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Shareholder or any of his Family Members.

46.2 Any Shareholder which is a body corporate may transfer Shares to:

- (a) any company of which that Shareholder is a subsidiary; or
- (b) any subsidiary of such company; or
- (c) any subsidiary of that Shareholder.

46.3 Any Shareholder who is an individual may transfer Shares to:

- (a) any Family Member; or
- (b) the trustee of any Family Trust; or
- (c) the Motherwell Football Club Community Trust,

and such Family Member or trustee may transfer Shares to each other but not otherwise.

46.4 Any Shareholder which is an investment fund or collective investment scheme or a nominee or custodian of or investors of any such fund or scheme may transfer Shares to:

- (a) holders of units, a partner or participant in or a nominee or trustee for the Holders of units in or partners in or Shareholders of or investors in such fund or scheme; or
- (b) another fund or scheme (or nominee or trustee for another fund) which is managed or advised by the same manager or adviser as the transferor (or the person for whom the transferor is a nominee or trustee) or by any Shareholder of the same group of companies as such manager or adviser; or
- (c) a nominee or trustee for such fund or scheme (and such nominee or trustee may transfer Shares back to such fund or scheme).

46.5 Any Shareholder may transfer Shares to any trust established for the benefit of employees or Directors (or former employees or Directors).

46.6 The trustees of any trust established for the benefit of employees or Directors (or former employees or Directors) may transfer Shares to the beneficiaries of such trust (or any of them) as may be approved by the Directors.

46.7 Any Shareholder may transfer Shares to any person with the prior written consent of the holders of 75% of the Ordinary Shares.

- 46.8 Article 47 does not apply to a transfer of Shares made pursuant to articles 46.1 to 46.7.
- 46.9 Any transfer of any Share pursuant to this article 46 will only be treated as a permitted transfer if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust or any trust established for the benefit of employees or Directors (or former employees or Directors), where applicable).
- 46.10 If any person to whom Shares are transferred pursuant to articles 46.1 to 46.6 whether by one or a series of transfers and whether directly or indirectly, ceases to be within the required relationship with the original transferor of such Shares:
- (a) such Shares must be transferred back to the original transferor (or to any other person falling within the required relationship with the original transferor) immediately upon such relationship ceasing; and
 - (b) if the Holder of such Shares fails to make such transfer within 20 days of such relationship ceasing, the Holder of those Shares will be deemed to have served a Transfer Notice in respect of all such Shares held by him and the provisions of article 47 apply.

47 PRE-EMPTIVE TRANSFERS

- 47.1 Unless the transfer is permitted by article 46 or required by article 48, a Shareholder or person entitled to a Share by transmission is prohibited from transferring or disposing of or agreeing to transfer or dispose of or grant any interest or right in any Share to any person unless such Shares have been offered for sale to the other Shareholders in accordance with this article.
- 47.2 The offer referred to in article 47.1 must be effected as follows:
- (a) the Shareholder wishing to sell the Shares (the "**Transferor**") must serve notice in writing on the Company that he wishes to sell Shares (a "**Transfer Notice**");
 - (b) the Transfer Notice must:
 - (i) specify the number and class of Shares offered (the "**Sale Shares**"); and
 - (ii) specify the identity of any proposed transferee; and
 - (iii) (unless the Transfer Notice is deemed to be given in accordance with these Articles) set out the price per Share at which the Sale Shares are proposed to be offered (the "**Specified Price**"); and
 - (iv) contain any other terms relating to the proposed sale; and

- (v) state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the provisions of this article (a "**Total Transfer Condition**"); and
- (vi) relate to one class of Share only; and
- (vii) appoint the Company as the agent of the Transferor for the sale of the Sale Shares on the terms of this article; and
- (viii) save as provided in article 47.8, be irrevocable; and
- (ix) not contain or be deemed to contain a Total Transfer Condition unless this is both expressly stated and is permitted by these Articles.

47.3 The Sale Shares must be offered for purchase at a price per Sale Share (the "**Sale Price**") agreed between the Transferor and the Directors. If they cannot agree the Sale Price by the end of the 20th working day after the date of service of the Transfer Notice, the Directors must instruct the Valuers to determine the open market value of each Sale Share in accordance with article 47.4 (the "**Market Value**") as at the date of service of the Transfer Notice.

47.4 If instructed by the Directors to report on Market Value, the Valuers shall:

- (a) act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (except in the case of manifest error); and
- (b) proceed on the basis that the Market Value of each Sale Share is the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares form part, divided by the number of issued Shares then comprised in that class, and applying a premium or discount to take into account the size of the holding the subject of the Transfer Notice and/or any restrictions on the transferability of the Sale Shares; and
- (c) be entitled in their absolute discretion to appoint legal or other professional advisers to advise on the interpretation and effect of any records or documents provided to it for the purposes of determining the Market Value.

47.5 The Company must use its reasonable endeavours to procure that the Valuers deliver their report on the Market Value to the Directors and to the Transferor within 28 working days of being requested to do so.

47.6 One half of the Valuers' fees for reporting on Market Value must be paid by the Transferor and the other half must be paid by the purchasers *pro rata* to the number of Sale Shares purchased by them unless:

- (a) the Transferor revokes the Transfer Notice pursuant to article 47.8; or

- (b) none of the Sale Shares are purchased by the Shareholders pursuant to this article 47;

when the Transferor must pay all the Valuers' fees.

47.7 The Sale Price is the lower of:

- (a) the Specified Price; and
- (b) the Market Value.

47.8 If the Market Value determined and reported by the Valuers is less than the Specified Price, the Transferor may revoke the Transfer Notice by giving written notice to the Directors within the period of seven working days after the date the Directors deliver the Valuers' report on Market Value to the Transferor.

47.9 Within 20 working days after the Sale Price has been agreed or determined, the Directors must give written notice (the "**Offer Notice**") to the Shareholders (other than the Transferor) of:

- (a) the Sale Price; and
- (b) the other information set out in the Transfer Notice; and
- (c) unless the Transfer Notice is deemed to be given as provided in these Articles, the identity of any proposed transferee,

and it must invite each Shareholder to state by written notice to the Company within 30 working days (the "**Expiry Date**") whether he is willing to purchase any of the Sale Shares and if so, the maximum number of Shares he is willing to purchase.

47.10 The Sale Shares must be offered in the first instance to Shareholders who hold Shares of the same class as the Sale Shares and to the extent not accepted by those Shareholders, to Shareholders holding Shares of other classes (but no Shares will be treated as offered to the Transferor or any other Shareholder who is then bound to give, has given or is deemed to have given a Transfer Notice).

47.11 After the Expiry Date of the Offer Notice, (or earlier if valid applications have been received for all the Sale Shares offered prior to such Expiry Date), the Directors must allocate the Sale Shares to or amongst the Shareholders in accordance with the applications received. If:

- (a) there are applications from any class of Shareholders for more than the number of Sale Shares available for that class, the Sale Shares must be allocated to those Shareholders in proportion (as nearly as possible but without allocating to any

Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively;

- (b) if it is not possible to allocate any of the Sale Shares without involving fractions, those Shares shall be allocated amongst the Shareholders of each class in such manner as the Directors think fit; and
- (c) if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.

47.12 Within five working days of the Expiry Date of the last Offer Notice, the Directors must give notice in writing (a "**Sale Notice**") to the Transferor and to each Shareholder to whom Sale Shares have been allocated (each a "**Purchaser**") specifying:

- (a) the name and address of each Purchaser; and
- (b) the number of Sale Shares agreed to be purchased by him; and
- (c) the total price payable for the Sale Shares.

47.13 Each Purchaser must no later than five working days after such allocation pay to the Transferor the total sale proceeds for the transfer of the relevant Sale Shares to him at the price per Share equal to the Sale Price (the "**Proceeds of Sale**") and upon payment of such sum, the Transferor must deliver to the Company the documents required to transfer the Sale Shares and the Directors must register such transfer and deliver the relevant share certificate to the relevant Purchaser.

47.14 If the Transferor does not transfer the Sale Shares when required pursuant to article 47.13:

- (a) the Directors may authorise any person (who will be deemed to be irrevocably appointed as the attorney of the Transferor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Transferor's behalf;
- (b) the Company may receive the purchase money for such Sale Shares from the Purchaser and upon receipt (subject, if necessary, to the transfer being duly stamped) must register the Purchaser as the Holder of such Sale Shares;
- (c) the Company must hold any purchase money paid to it in a separate bank account on trust for the Transferor but need not earn or pay interest on any money so held;
- (d) the Company's receipt for such purchase money will be a good discharge to the Purchaser who is not required to see to the application of it; and

- (e) after the name of the Purchaser has been entered in the register of Shareholders, the validity of the proceedings cannot be questioned by any person.

47.15 The Transferor may, for 60 working days after the Expiry Date of the Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee (if any) named in the Transfer Notice or, if no transferee was named, to any person at any price per Sale Share which is not less than the Sale Price, provided that:

- (a) the Transferor may not transfer any Sale Share and the Directors must not register any transfer to a transferee who is not at that date a Shareholder unless such transferee is first approved in writing by the Directors; and
- (b) if the Transfer Notice contained a Total Transfer Condition, the Transferor is not entitled to sell only some of the Sale Shares under this article unless he has obtained the written consent of all the other Shareholders.

48 COMPULSORY TRANSFERS

48.1 In this article:

- (a) "**Change of Control**" means the acquisition whether by purchase, transfer, renunciation or otherwise) by any person (who is not at the date of adoption of these Articles a Shareholder of the Company in question) of any interest in the equity share capital of that Company if, upon completion of that acquisition, the acquiror, together with persons acting in concert or connected with him within the meaning of Section 1122 of the Corporation Tax Act 2010 or section 993 of the Income Tax Act 2007 (save that there shall be deemed to be control for that purpose whenever either Section 450 or Section 1124 of the Corporation Tax Act 2010 or section 995 of the Income Tax Act 2007 would so require), would hold more than 50 per cent in nominal value of such equity share capital; and
- (b) "**Acting in Concert**" has the meaning given in the City Code on Takeovers and Mergers which is in force at the date of adoption of these articles.

48.2 If:

- (a) a Shareholder is an individual and:
 - (i) a bankruptcy order is made against him; or
 - (ii) he has died; or
 - (iii) by reason of his mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

- (b) a Shareholder makes or offers or purports to make any arrangement or composition with his creditors generally; or
- (c) a Shareholder is a body corporate and:
 - (i) a receiver, manager or administrative receiver has been appointed over all or any part of its undertaking or assets; or
 - (ii) an administrator has been appointed in relation to it; or
 - (iii) it enters into liquidation (other than a voluntary liquidation for the purpose of a *bona fide* scheme of solvent amalgamation or reconstruction); or
 - (iv) any equivalent action is taken in respect of it in any jurisdiction; or
- (d) a Shareholder or any Family Member or the trustees of any Family Trust of a Shareholder attempts to deal with or dispose of any Share or any interest in it otherwise than in accordance with articles 46 or 47 and this article or in breach of article 44.7; or
- (e) a Shareholder does not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by article 45.3, or article 47.14.

the Directors may within the 12 months following the occurrence of the relevant event resolve that such event is a transfer event in relation to that Shareholder for the purposes of this article (a "**Transfer Event**").

- 48.3 If the Directors resolve that a transfer event has occurred, the Shareholder in respect of whom the transfer event has occurred (the "**Relevant Shareholder**") and any other Shareholder who has acquired Shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under article 46 shall be deemed to have immediately given a Transfer Notice (a "**Deemed Transfer Notice**") in respect of all such Shares then held by such Shareholder (including any Shares received by way of rights or on capitalisation).
- 48.4 A Transfer Notice given under article 45.3, or article 46.10(b) shall be a "**Deemed Transfer Notice**" for the purposes of this article.
- 48.5 A Deemed Transfer Notice supersedes and cancels any then current Transfer Notice if it relates to some or all of the Shares referred to in the Transfer Notice except for Shares which have been validly transferred pursuant to that Transfer Notice.
- 48.6 Notwithstanding any other provision of these Articles, if the Directors so decide, any Shareholder who holds Shares which are subject to a Deemed Transfer Notice must not from the date of the relevant Deemed Transfer Notice until the date of entry in the register of

Shareholders of the Company or another person as the Holder of those Shares, exercise any voting rights at general meetings of the Company in respect of those Shares.

48.7 Shares which are the subject of a Deemed Transfer Notice must be offered for sale in accordance with article 47 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Transferor the Shareholder who is deemed to have given the Deemed Transfer Notice save that:

- (a) the Sale Price shall be a price per Sale Share agreed between the Transferor and the Directors or, in default of agreement within 15 working days after the Directors resolving that a transfer event has occurred, the Market Value determined by the Valuers in accordance with article 46;
- (b) a Deemed Transfer Notice will be deemed not to contain a Total Transfer Condition and will be irrevocable;
- (c) the Transferor may retain any Sale Shares for which Purchasers are not found;
- (d) the Sale Shares must be sold together with all rights attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date.

48.8 Once a Deemed Transfer Notice is deemed to have been served then no permitted transfer under article 46 may be made in respect of any Share which is the subject of the Deemed Transfer Notice unless and until an Offer Notice has been served in respect of such Share and the period of allocation permitted under article 48 has expired without such allocation.

49 TRANSMISSION OF SHARES

49.1 If title to a Share passes to a Transmittor, the Company may only recognise the Transmittor as having any title to that Share.

49.2 A Transmittor who produces such evidence of entitlement to Shares as the Directors may properly require:

- (a) may, subject to article 48, within 28 clear days of written notice to that effect, choose either to become the Holder of those Shares or to have them transferred to another person (and if no choice is made by the Transmittor, he shall be deemed to have elected to become the Holder of those Shares); and
- (b) subject to article 48, pending any transfer of the Shares to another person, has the same rights as the Holder had save that the Transmittor does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which he is entitled, by reason of the Holder's death or Bankruptcy or otherwise, unless he becomes the Holder of those Shares.

- 49.3 Article 44 shall apply to the notice referred to in article 49.2(a) as if it were an instrument of transfer executed by the Shareholder and the event resulting in title to the Share passing to the Transmittée had not occurred.

50 FRACTIONAL ENTITLEMENTS

- 50.1 If on any consolidation and division or sub-division of Shares, Shareholders are entitled to fractions of Shares, the Directors may:

- (a) sell the Shares representing the fractions to any person (including the Company) for the best price reasonably obtainable; and
- (b) distribute the net proceeds of sale in due proportion among the Holder of the Shares.

- 50.2 Where any Holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that Shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

- 50.3 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant person.

- 50.4 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

51 EXERCISE OF TRANSMITTEES' RIGHTS

- 51.1 Transmittées who wish to become the Holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 51.2 If the Transmittée wishes to have a share transferred to another person, the Transmittée must execute an instrument of transfer in respect of it.
- 51.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the Transmittée has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

52 TRANSMITTEES BOUND BY PRIOR NOTICES

If a notice is given to a Shareholder in respect of Shares and a Transmittée is entitled to those Shares, the Transmittée is bound by the notice if it was given to the Shareholder before the Transmittée's name or the name of any person nominated under Article 49.2 has been entered in the register of members.

53 PROCEDURE FOR DECLARING DIVIDENDS

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

54 CALCULATION OF DIVIDENDS

- 54.1 Except as otherwise provided by these Articles or the rights attached to the Shares, all dividends must be declared and distributed amongst the holders of Shares (as if the same were one class of share) proportionately according to the number of Shares held (and irrespective of the amount paid up on such Shares).
- 54.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

55 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 55.1 In these Articles, the "**Distribution Recipient**" means, in respect of a Share on which a dividend or other sum is payable:

(a) the Holder of the Share; or

- (b) if the Share has two or more joint Holders, whichever of them is named first in the register of members; or
- (c) if the Holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the Transmittree.

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

- (a) transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
- (b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a Holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;
- (c) sending a cheque made payable to such person by post at such address as the Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or
- (d) any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide.

56 NO INTEREST ON DISTRIBUTIONS

The Company must not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

- (a) the terms on which the Share was issued; or
- (b) the provisions of another agreement between the Holder of that Share and the Company.

57 UNCLAIMED DISTRIBUTIONS

57.1 All dividends or other sums which are:

- (a) payable in respect of Shares; and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

57.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

57.3 If:

(a) 12 years have passed from the date on which a dividend or other sum became due for payment; and

(b) the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

58 NON-CASH DISTRIBUTIONS

58.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any company).

58.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

(a) fixing the value of any assets;

(b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

(c) vesting any assets in trustees.

59 WAIVER OF DISTRIBUTIONS

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

(a) the Share has more than one Holder; or

(b) more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint Holders, or otherwise;

- (c) the notice is not effective unless it is expressed to be given, and signed, by all the Holders or persons otherwise entitled to the Share.

60 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

60.1 The Directors may, if they are so authorised by an ordinary resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

60.2 Capitalised Sums must be applied:

- (a) on behalf of the Persons Entitled; and
- (b) in the same proportions as a dividend would have been distributed to them.

60.3 Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as Fully Paid to the Persons Entitled or as they may direct.

60.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as Fully Paid to the Persons Entitled or as they may direct.

60.5 The Directors may:

- (a) apply Capitalised Sums in accordance with articles 60.3 and 60.4 partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article.

61 NOTICE OF GENERAL MEETINGS

The notice of a general meeting of the Company must state:

- (a) the time and date of the meeting;
- (b) the place of the meeting; and
- (c) the general nature of the business to be transacted.

62 ANNUAL GENERAL MEETINGS

The Company must hold an annual general meeting.

63 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

63.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

63.2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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

63.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.

63.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

64 QUORUM FOR GENERAL MEETINGS

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. Save as otherwise provided in these Articles, one A Ordinary Shareholder and two Ordinary Shareholders, present in person or by proxy or by a duly authorised representative shall form a quorum.

65 CHAIRING GENERAL MEETINGS

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

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

(a) the Directors present; or

(b) (If no Directors are present), the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairman of the meeting must be the first business of the meeting.

65.3 The person chairing a meeting in accordance with this article is referred to as the "**chairman of the meeting**".

66 ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

66.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

66.2 The chairman of the meeting may at the relevant meeting permit other persons who are not:

(a) Shareholders of the Company; or

(b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings;

to attend and speak at such meeting.

67 ADJOURNMENT

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

68 VOTING: GENERAL

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

69 VOTING: MENTAL DISORDER

If a court has appointed a person to manage the affairs of a Shareholder as a result of a mental disorder of such Shareholder, the person appointed by that court may, provided he has not less than 48 hours before the time appointed for the relevant meeting, deposited at the registered office of the Company evidence to the satisfaction of the Directors that he has authority to exercise the right to vote, attend any general meeting of the Company and vote at such meeting whether on a show of hands or on a poll.

70 ERRORS AND DISPUTES

70.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

70.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

71 POLL VOTES

71.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

71.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the Directors;
- (c) two or more persons having the right to vote on the resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.

71.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and

(b) the chairman of the meeting consents to the withdrawal.

71.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs. The result of the poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

71.5 A demand for a poll does not prevent a general meeting from continuing except as regards the question on which the poll was demanded.

71.6 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.

72 CONTENT OF PROXY NOTICES

72.1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

- (a) states the name and address of the Shareholder appointing the proxy;
- (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.

72.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

72.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

72.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

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

73 DELIVERY OF PROXY NOTICES

- 73.1 Any notice of a general meeting must specify the address or addresses ("**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 73.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 73.3 Subject to articles 73.4 and 73.5, a Proxy Notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting which it relates.
- 73.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.
- 73.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered:
- (a) in accordance with article 73.3; or
 - (b) at the meeting at which the poll was demanded to the chairman of the meeting, the secretary or any Director.
- 73.6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 73.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 73.8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

74 AMENDMENTS TO RESOLUTIONS

- 74.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than

48 hours before the meeting is to take place (or such later time as the Chairman of the meeting may determine); and

- (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.

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

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

74.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.

75 NOTICES AND COMMUNICATION

75.1 The Company may send, supply or give any document, information or notice to a Shareholder by hard copy, electronic form or by making that document or information available on a website and giving notice of the availability of that document or information to the relevant Shareholder (provided that Shareholder has individually agreed (or is deemed to have agreed) to the Company sending or supplying documents or information generally or those documents or information in question to him by means of a website), in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act.

75.2 A notice given by means of a website shall be deemed to have been sent, supplied or given when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

75.3 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act.

75.4 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A comprehensive transaction report or log generated by fax machine, suitably certified by or on behalf of the Company, shall be conclusive evidence that a document, notice or information was sent, supplied or given by fax. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the Company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.

75.5 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

75.6 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

76 COMPANY SEALS

76.1 Any common seal may only be used by the authority of the Directors.

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

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

76.4 In this article, an authorised person is:

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

77 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

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

78 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

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

79 **INDEMNITY AND INSURANCE**

79.1 Subject to article 79.2, a Relevant Director of the Company or an associated Company may be indemnified out of the Company's assets against:

- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated Company; and/or
- (b) any other liability incurred by that Director as an officer of the Company or an associated Company.

79.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

79.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

79.4 In this article:

- (a) a "**Relevant Director**" means any Director or former Director of the Company or an associated Company;
- (b) a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Company, any associated Company or any pension fund or employees' share scheme of the Company or associated Company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.