

Company Number: 3444246

The Companies Act 1985 to 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

Adopted on 13 December 2017 to take effect immediately

PRS FOR MUSIC LIMITED

Incorporated on the 29th day of September 1997

Company Number: 3444246

THE COMPANIES Act 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

Of

PRS FOR MUSIC LIMITED

DEFINITIONS AND INTERPRETATION

1. (1) In these Articles:

"**Act**" means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

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

"**Board**" means the board of Directors for the time being of the Company, as constituted and authorised to act pursuant to these Articles;

"**Business Day**" means any day other than a Saturday, Sunday or a public holiday in England;

"**chairman of PRS**" means the chairman for the time being of the board of Directors of PRS;

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

"**Company**" means PRS FOR MUSIC Limited;

"**Director**" means a member of the Board;

"**Director of PRS**" means a person who is, for the purposes of the articles of association of PRS, a member of the Board of PRS;

"**electronic form**" has the same meaning as in section 1168 of the Act;

"**electronic means**" has the same meaning as in section 1168 of the Act;

"**executed**" includes any mode of execution;

"**Executive Director**" means a director who is employed by the Company, who is neither a member nor employee of a member of PRS;

"**External Director**" means a director who is not in the employment of either the Company or PRS and who is neither a member nor an employee of a member of PRS;

"**hard copy form**" has the same meaning as section 1168 of the Act;

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

"**MCPS**" means the Mechanical-Copyright Protection Society Limited;

"**office**" means the registered office of the Company;

"**PRS**" means the Performing Right Society Limited;

"**Publisher Director**" means any Director of PRS (other than, as the case may be, the chairman of PRS) who is a Publisher within the meaning of Article 1(a)(xxii) of the Articles of Association of PRS;

"**seal**" means the common seal of the Company;

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

"**United Kingdom**" means Great Britain and Northern Ireland;

"**Writer Director**" means any member of the PRS Board (other than, as the case may be, the chairman of PRS) who is a Writer within the meaning of Article 1(a)(xxxii) of the Articles of Association of PRS;

- (2) Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- (3) Words importing the singular shall include the plural and vice versa, words importing the masculine shall include the feminine, and words importing persons shall include corporations.
- (4) Any reference to presence at a general meeting or class meeting shall include presence of a member in person or by proxy or (being a corporation) by a duly authorised representative and shall include presence which is deemed in accordance with these Articles (and "present" shall be construed accordingly).

- (5) In these Articles expressions referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.
- (6) Any marginal notes or headings which may be reproduced with these Articles do not form part of these Articles, and shall have no bearing on the interpretation of these Articles.

OBJECTS

2. The objects for which the Company is established are:
 - (1) To enter into agreements with MCPS and PRS in order to provide management, administration, collection or other services to MCPS and PRS and to fulfil the terms of those agreements and (without prejudice to the generality of the foregoing) specifically where appropriate to manage, administer and operate the businesses of MCPS and PRS and its own business in accordance with and consistently with agreements and arrangements made respectively between MCPS and its members and PRS and its members.
 - (2) To propose and recommend to PRS and MCPS methods of licensing, licensing practices and procedures, rules and regulations relating to licensing, terms and conditions for the grant of licences, terms and conditions of business, licensing schemes and agreements, codes of practice and codes of conduct (referred to together as "licensing arrangements") in relation to the rights owned and/or controlled respectively by MCPS and PRS.
 - (3) As regards any licensing arrangements, to make the practical arrangements for the introduction and institution of the same amongst other things by making the practical arrangements for (a) the grant of licences, (b) the laying down of licensing schemes of PRS and MCPS, and (c) the entry into agreements relating thereto between PRS or MCPS and the relevant party, and in connection with these licensing arrangements to negotiate with users and representative bodies of users within the parameters laid down by MCPS and/or PRS as regards the introduction of these licensing arrangements.
 - (4) To maintain, enforce, manage, administer and operate such licensing arrangements as are referred to in these objects.
 - (5) To manage, administer and operate the collection of royalties and other sums in the name of PRS and/or MCPS and/or their respective members arising from such licensing arrangements, and to give a good receipt for such royalties and sums in their name.
 - (6) To manage, administer and operate the verification and audit of royalties and other sums due under licensing arrangements, and the compliance by users and representative bodies of users with the terms and conditions of licensing arrangements and the compliance by third parties with all agreements and arrangements entered into by or relating to PRS and/or MCPS with which such third parties are obliged to comply.

- (7) To manage, administer and operate the processing apportionment and distribution of royalties and other sums collected in the name of MCPS and/or PRS (as the case may be) on the basis of agreements and arrangements between PRS and its members and MCPS and its members, and in accordance with agreements between the Company and MCPS and the Company and PRS and (where relevant) in accordance with agreements and arrangements between PRS and other collecting societies and agents and agreements and arrangements between MCPS and other collecting societies and agents.
- (8) To manage, administer, operate the enforcement and protection of the respective rights of PRS and MCPS and their respective members and any other rights owned or controlled by PRS or MCPS, including where appropriate the commencement prosecution and defence of proceedings before any court or tribunal of any nature relating to such rights and/or the licensing arrangements.
- (9) To propose and recommend to MCPS and PRS measures and actions for the further enhancement and protection of copyright and to provide services to British Music Rights Limited and/or any other third party in the pursuance and promotion of such measures and actions as may be agreed.
- (10) To manage, administer and operate any agreements and/or arrangements entered into between PRS and other collecting societies or agents administering performing rights in musical works and situated or operating outside the United Kingdom and/or entered into between MCPS and other collecting societies and agents administering mechanical rights in musical works and situated or operating outside the United Kingdom and which agreements and/or arrangements relate to the administration and/or protection of the rights of MCPS and PRS and MCPS's and PRS's members and the rights of such other collecting societies and of their members, and to monitor and verify the effectiveness of such agreements, and the performance of the collecting societies or agents under such agreements.
- (11) To manage, administer and operate systems and procedures for the registration of works and other relevant data, to create and maintain for MCPS and PRS a database or databases containing such information and to enter into agreements in the name of PRS and/or MCPS with third parties relating to the use of such information and/or database or databases.
- (12) To provide services to PRS and MCPS in the operation of all agreements and arrangements between MCPS and its members and PRS and its members and the fulfilment of obligations under those agreements and arrangements.
- (13) To carry out similar management administration and operational services to those referred to within the objects of the Company in relation to any collecting society or similar organisation which is not within the scope of sub-paragraph (10) above and/or with those who own or control and intellectual property rights of any nature and with which MCPS and/or PRS have an agreement for the provision of such services.

- (14) To carry on in any part of the world any other business or activity which may seem to the directors of the Company capable of being conveniently or advantageously carried on in connection with any of the above businesses or directly or indirectly to further or facilitate the objects of the Company or to enhance the value of or render more profitable any of the Company's property or assets.
- (15) To purchase, take on lease, or in exchange, hire or otherwise acquire, hold and manage any lands or buildings of freehold, leasehold or other tenure or any estate or interest therein, and any other property of any description, whether real or personal, and any easements privileges options or rights over through under the same or in connection therewith, and to develop, deal with and turn the same to account in all respects as may seem expedient.
- (16) To construct, erect, maintain, alter, replace, or remove any buildings, works, offices, erections, plant, machinery, tools or equipment as may seem desirable for any of the businesses of or in any plant, tools, machinery, goods or things of any description which may be conveniently or advantageously dealt with in connection with any of the Company's objects.
- (17) Either with or without the Company receiving any consideration or advantage, direct or indirect, therefrom, to transfer by way of gift or at an undervalue or otherwise all or any part of the assets or property of the Company to or enter into any arrangement at an undervalue with any person including without prejudice to the generality of the foregoing any holding company subsidiary company or fellow subsidiary company; to waive or release, with or without consideration any rights of, or any debts liabilities or obligations owed to, the Company from any company including without prejudice to the generality of the foregoing any holding company subsidiary company or fellow subsidiary company.
- (18) Either with or without the Company receiving any consideration or advantage, direct or indirect, from giving any such guarantee, to guarantee by personal covenant or by mortgaging or charging all or any part of its undertaking, property and assets present and future and uncalled capital or by any combination of such methods or by any other means whatsoever the performance of the obligations (whether legally binding or not) and the payment of any moneys (including but not limited to capital or principal, premiums, dividends or interest, commissions, charges, discount and any costs or expenses relating thereto whether on any stocks, shares or securities or in any other manner whatsoever) by any company, firm or person including but not limited to any company which is for the time being the Company's holding company as defined by section 1159 of the Act (or any statutory amendment or re-enactment thereof from time to time) or a subsidiary of the Company or of the Company's holding company as so defined or any company, firm or person who is for the time being a member or otherwise has any interest in the Company or is associated with the Company in any business or venture or any other person firm or company whatsoever and for the purposes of this paragraph (18) any references to the guarantee of any obligations or payments shall be taken to include the giving of any indemnities in respect of all loss suffered by virtue of any failure to perform such obligations or make such payments.

- (19) To do research work and make experiments in connection with any business of the Company, and to apply for, purchase or otherwise acquire, protect, prolong, extend or renew and to hold in any part of the world any patents, patent rights, brevets d'invention, trademarks, licences, protections, concessions and intellectual property rights of whatever nature which may appear likely to be advantageous or useful to the Company, and to use and manufacture under or grant licences or privileges in respect of or sell or let the same or any interest therein, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents; to register any patent for any invention or any trademarks, designs or other industrial property rights.
- (20) To adopt such means for making known any goods or services provided by the Company and keeping the same before the public as may be deemed expedient and in particular to employ advertising and public relations techniques of all kinds.
- (21) To acquire and undertake the whole or any part of the share capital, business, goodwill and assets of any company and as part of the consideration for such acquisition to undertake all or any of the liabilities of such company or to acquire an interest in, amalgamate or enter into any arrangement for sharing profits, or for co-operation or for limiting competition, or for mutual assistance, with any such company, and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any shares, monies, assets, rights, debentures, debenture stock or other securities that may be agreed, and to hold and retain or sell, mortgage or otherwise deal with any shares, monies, assets, rights, debentures, debenture stock or other securities so received.
- (22) To establish or promote or concur in establishing or promoting any company the establishment or promotion of which shall be considered desirable in the interests of the Company and to subscribe for, underwrite, purchase or otherwise acquire and hold the shares, stocks, debentures, debenture stock or other securities and obligations of any such company.
- (23) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, reciprocal concessions, or otherwise, with any person or company carrying on business within the objects of the Company.
- (24) To sell, exchange, mortgage, let on rent, share of profit or otherwise, grant licences, easements, options and other rights over and in any other manner deal with or dispose of all or any part of the undertaking, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for shares, stocks, debentures, debenture stock of other obligations or securities, whether fully or partly paid up, of any other company.
- (25) To vest any real or personal property, rights or interests acquired by or belonging to the Company in any company on behalf or for the benefit of the Company, with or without any declared trust in favour of the Company.
- (26) To invest and deal with the monies of the Company in any manner.

- (27) To borrow and raise money and secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgages of or charges upon the undertaking and all or any part of the real and personal property (present and future) and the uncalled capital of the Company or by the creation and issue of debentures, debenture stock or other obligations or securities of any description.
- (28) To lend and advance money or give credit or financial accommodation to any company on such terms as may seem expedient, and in particular to customers and others having dealings with the Company.
- (29) To acquire by original subscription, purchase or otherwise and to hold, realise, sell or otherwise dispose of shares (whether credited as paid up in full or in part), stock, debentures, debenture stock or other securities or obligations of any other company.
- (30) To draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures, debenture stock and other negotiable or transferable instruments.
- (31) To apply for, promote, and obtain any Act of Parliament, charter, contract, decree, right, privilege, concession, licence or authorisation of any Government, State or municipality, Provisional Order or Licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effects or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company, or for any other purpose which may seem expedient, to carry out, exercise and comply with any such charter, contract, decree, right, privilege, concession, licence or authorisation and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (32) To enter into any arrangements with any governments, organisations, association clubs or authorities (supreme, municipal, local or otherwise) or any companies that may seem conducive to the objects of the Company or any of them.
- (33) To act as agents or brokers (but not as stock or share brokers) and as trustees for any company and to undertake and perform sub-contracts.
- (34) To remunerate any company rendering services to the Company.
- (35) To pay out of the funds of the Company all expenses which the Company may lawfully pay of or incidental to the promotion, formation and registration of or the raising of money for the Company or to contract with any other company to pay the same of the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures, debenture stock or other securities of the Company.

- (36) To establish and maintain or procure the establishment and maintenance of, any pension or superannuation funds or schemes (whether contributory or otherwise) for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who may be or have been directors or officers of the Company, or of any such other company as aforesaid, or any persons in whose welfare the Company or any such other company as aforesaid is or has been at the time interested, and the wives, widows, families, relations and dependants of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated directly or indirectly to be for the benefit of, or to advance the interests and well-being of the Company or of any other company as aforesaid or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid.
 - (37) To subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object, or for any purpose likely directly or indirectly to further the objects of the Company.
 - (38) To insure the life of any person or to insure against any accident to any person who may, in the opinion of the directors, be of value to the Company as having or holding for the Company interests, goodwill or influence or other assets and to pay the premiums on such insurance.
 - (39) To procure the Company and any branch office of the Company to be registered or recognised in any part of the world.
 - (40) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.
 - (41) To do all such things as may be deemed incidental or conducive to the attainment of the above objects or any of them.
3. (1) The word "company" in Article 2, except where used in reference to the Company, shall be deemed to include any partnership, firm or other person or body of persons whether corporate or unincorporated, and whether domiciled in the United Kingdom or elsewhere, and,
 - (2) The objects specified in each of the paragraphs of Article 2 shall be regarded as independent objects, and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph or the name of the Company, but may be carried out in full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the objects of a separate and distinct company.
 - (3) The objects specified in each of the paragraphs of Article 2 shall be construed in accordance with and shall be subject to the terms of any agreement in force from time to time between the members of the Company.

MEMBERS' LIABILITY

4. The liability of the members is limited.

SHARE CAPITAL

5. Subject to the provisions of the Act, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
6. The authorised share capital of the Company at the date of the adoption of these Articles is £50,000 divided into 50,000 ordinary shares of £1 each.
7. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any share except as absolute right to the entirety thereof in the holder.

SHARES

8.
 - (1) Subject to the provisions of these Articles, the Directors are generally and unconditionally authorised to exercise any power of the Company to offer, allot or grant rights to subscribe for or convert securities into or otherwise dispose of any shares (or interests in shares) in the Company, or any other relevant securities, up to the authorised share capital of the Company as at the date of adoption of these Articles.
 - (2) Sections 561(1) and 562 of the Act shall not apply to any allotment of equity securities by the Company. The shares comprised in the authorised share capital at the date of the adoption of these Articles shall be at the disposal of the Directors as stated in Article 9(1) but, unless otherwise determined by special resolution of the Company in general meeting or with the assent of all the members, any equity securities which are not comprised in the authorised share capital at the date of the adoption of these Articles shall, before they are allotted on any terms to any person, be first offered by the Company on the same or more favourable terms to the members in proportion as nearly as is practicable to the nominal value of the shares in the Company held by the members respectively. Such offer shall be made by notice specifying the number of equity securities offered and the period, being not fewer than twenty-one days, within which the offer, if not accepted, will be deemed to have been declined.
9.
 - (1) Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares held by him (and, upon transferring a part of his holding of shares, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall be sealed with the seal and shall specify the number and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon.

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

LIEN

10. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount payable in respect of it.

CALLS ON SHARES

11. Subject to the terms of allotment, the Directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving not fewer than fourteen clear days' notice specifying when and where payments is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
12. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
13. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the Directors may waive payment of the interest wholly or in part.

TRANSFER OF SHARES

14. (1) No share or any interest therein shall be transferred to any person otherwise than in accordance with the provisions of these Articles.

(2) The instrument of transfer of any fully paid shares shall be executed by or on behalf of the transferor, but need not be executed by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the register of members of the Company in respect thereof. In the case of a partly paid share, the instrument of transfer must also be executed by or on behalf of the transferee.

- (3) No shares and no interest in shares shall be transferred to any infant, bankrupt or person of unsound mind and the Directors shall refuse to register any such transfer. The Directors shall not refuse to register any transfer of any shares or interest in shares other than in accordance with this Article and Article 15.
15. The Directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a share on which the Company has a lien. They may also refuse to register a transfer unless:
 - (1) it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - (2) it is in favour of not more than four transferees.

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

16.
 - (1) the registration of transfers of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Directors may determine.
 - (2) No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share.
 - (3) The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.
17. The right to transfer shares in the Company shall be subject to the following restrictions, namely:
 - (1) Subject as otherwise provided in this Article 17 before transferring any shares or any interest in such shares the person proposing to transfer the same (the "proposing transferor") shall give a notice in writing sent by registered post (the "transfer notice") to the Directors that he desires to transfer the same. In the transfer notice the proposing transferor shall specify the price per share which he is willing to accept for the shares comprised in such transfer notice and the identity of any person who has indicated a willingness to purchase such shares at such price; and the price per share so specified is referred to below as "the prescribed price". The transfer notice shall constitute the Directors the agent of the proposing transferor for the sale of the shares mentioned in such transfer notice at the prescribed price.
 - (2) Immediately upon receipt of any transfer notice the directors shall offer each share comprised in such transfer notice for purchase at the prescribed price to all members (other than

- (a) the member by whom or in respect of whose shares the transfer notice has been given or deemed to be given; and
- (b) any member to whom under the provisions of these Articles shares may not be transferred),

Holding the shares covered by the transfer notice on the terms that in case of competition the shares so offered shall be sold to the members accepting the offer in proportion (as nearly as may be and without increasing the number sold to any member beyond the number applied for by him) to their existing holdings of shares.

The offer which shall be by notice in writing and sent by registered post, shall be on identical terms for each of such holders, shall specify the total number of shares on offer, the proportionate entitlement of the relevant holder and the prescribed price per share and shall invite each of such holders to state in writing by registered post within a period of 30 days whether he is willing to take any, and if so what maximum, number of the shares on offer. Any such offer shall be subject to paragraph (4) of this Article.

- (3) The Directors shall give notice in writing to the proposing transferor of the identity of any member or members ("purchaser" or "purchasers") accepting the offer, and of the number of shares agreed to be purchased, and upon receipt of that notice and subject to the provisions of paragraph (4) of this Article the proposing transferor shall be bound, upon payment of the purchase or respective purchasers of such shares. The purchase shall be completed within 15 days of receipt of that notice by the proposing transferor at a place and time to be appointed by the Directors.
 - (4) If the offer is not duly accepted in respect of all the shares comprised in the transfer notice the proposing transferor shall at any time within 30 days after the expiry of the offer be entitled (but not bound) to transfer all or any of the shares comprised in the transfer notice (or, at the option of the proposing transferor notified to the Directors within seven days of the relevant notification to him pursuant to paragraph (3) of this Article, the number in respect of which the offer is not duly accepted) on a bona fide sale to any person or persons at any price per share not being less than the prescribed price.
 - (5) Any member or members of the Company holding 100% of the issued ordinary shares in the Company may at any time agree in writing to waive the provision of this Article 17.
18. (1) Subject to the provisions of Article 17, a member which is a body corporate shall be bound at any time after it shall have gone into liquidation (not being a liquidation for the purposes only of amalgamation or reconstruction) or similar status in the country of its incorporation, if and when required in writing by a majority in value of the remaining members so to do, to give a transfer notice in respect of all the shares then registered in the name of such member.

- (2) In any case where a transfer notice has been duly required to be given under this Article 18 in respect of any shares and such transfer notice is not given within a period of one month, such transfer notice shall be deemed to have been given at the expiration of the said period.
- (3) In any case where a transfer notice has been duly required or is deemed to be given under this Article 18 in respect of any shares then "the prescribed price" shall be the fair value of each of the shares (taken together) which are the subject of such transfer notice or deemed transfer notice as determined by the auditors of the Company for the time being divided by the number of shares which are the subject of such shares such auditors shall act as experts and not as arbitrators. The "fair value" of the shares in question shall be the market value of such shares as between a willing buyer and a willing seller but save that no account shall be taken of the fact that the shares which are the subject of such transfer notice or deemed transfer notice do or do not constitute a minority holding in the Company.

ALTERATION OF SHARE CAPITAL

19. The Company may by ordinary resolution:
 - (1) increase its share capital by such number of new shares as the resolution prescribes;
 - (2) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (3) subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, and of them may have any preference or advantage as compared with other; and
 - (4) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
20. Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way.

GENERAL MEETINGS

21. All general meetings shall be called extraordinary general meetings.
22. The Board, may, whenever it thinks fit, convene an extraordinary general meeting and extraordinary general meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as sections 303 to 305 of the Act provide.

NOTICE OF GENERAL MEETINGS

23. (1) All other general meetings shall be called by not fewer than fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by all the members entitled to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.
- (2) The notice shall be given in accordance with Article 34 and specify the time and place of the meeting and the general nature of the business to be transacted.
- (3) The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting, to such members as are, under these Articles, entitled to receive such notices from the Company.

PROCEEDINGS AT GENERAL MEETINGS

24. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of the consideration of the accounts and balance sheets, the reports of the Board and auditors of the Company, the appointment of Directors in the place of those retiring, and the appointment, and fixing of the remuneration, of the auditors of the Company.

QUORUM

25. (1) No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. For all purposes, all members must be present for there to be a quorum.
- (2) If, within half an hour after the time appointed for the meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and to such other time and place as the Board may determine.

CHAIRMAN AT GENERAL MEETINGS

26. The chairman of the Board shall preside as chairman at every general meeting of the Company. If there is no such chairman of the Board or if he is not present within fifteen minutes after the time appointed for holding the meeting, or if he is not willing to act as chairman, the Directors present shall choose one of their number to be chairman of the meeting.

CHOICE OF CHAIRMAN BY MEMBERS

27. If at any general meeting of the Company no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall agree that one of their number be chairman of the meeting. If the members are unable to agree on a chairman, the meeting shall be adjourned to such day and to such time and place as the Board may determine.
28. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.

ADJOURNMENT OF MEETING

29. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

METHOD OF VOTING

30. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded:
 - (1) by the chairman of the meeting; or
 - (2) by any member.
31. Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.

POLL

32. The demand for a poll may be withdrawn.
33. Except as provided in Article 35, if a poll is duly demanded it shall be taken in such manner as the chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

34. (1) Every notice convening a general meeting shall comply with the provisions of section 325(1) of the Act as to giving information to members in respect of their right to appoint proxies. Notices of and other communications relating to any general meeting which any member is entitled to receive shall also be sent to the directors and to the auditors for the time being of the Company.
- (2) If at any general meeting any votes shall be counted which ought not to have been counted, or not counted which ought to have been counted, the error shall not vitiate the result of the voting unless the error is pointed out at the same meeting, and not in that case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to vitiate the result of the voting.
- (3) Any member or member's proxy or duly authorised representative (being a corporation) may participate in a general meeting of the Company by means of conference telephones or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person (or by proxy or authorised representative as appropriate) at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.
35. (1) A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- (2) No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

SINGLE MEMBER

36. (1) Notwithstanding any provision to the contrary in these Articles, in circumstances where the Company has only one member, that member present in person or by proxy shall be a quorum.
- (2) A single member shall, upon taking a decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting (unless that decision is taken by way of written resolution or unanimous assent), provide the Company with a written record of that decision.

- (3) For so long as the Company is a single member company, all provisions of these Articles shall be construed so as to be consistent with the Company only having one member.
- (4) If, for any reason, the number of members of the Company increases beyond one and for so long as the number of members is more than one, the provisions of this Article shall not apply.

MEMBERS' ASSENT

37. (1) Pursuant to the rights and powers under common law of all members having the right to receive notice of and to attend and vote at general meetings to assent or agree to any matter, such members' assent or agreement to any matter may (without limitation), if written be evidenced by one more documents (including a telex, facsimile, cable, telegram or other form of electronic communication) each accurately stating the terms of the assent or agreement and signed by or on behalf of or otherwise emanating from one or more of such members. Any such signature may be given personally or by duly appointed attorney or in the case of a body corporate by an officer or by its duly authorised corporate representative.
- (2) The provisions of Article 37(1) are in addition to and not exclusive of:
 - (a) any other rights and powers under common law of all members having the right to attend and vote at general meetings to assent or agree to or ratify any matter or to pass any resolution by unanimous written consent; and
 - (b) any statutory rights of the members under section 288 of the Act,

All of which rights and powers may be exercised by the members as an alternative to the unanimous assent or agreement referred to in Article 37(1).

VOTES OF MEMBERS

38. Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative, shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share of which he is the holder. There shall be no casting vote whether of the chairman or any other person.
39. A member may vote at any general meeting either in person or by proxy, in respect of any share held by him notwithstanding that all moneys presently payable by him in respect of that share have not been paid.
40. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final.
41. On a poll votes may be given either personally or by proxy.

42. The instrument appointing a proxy may be in the usual form, or in such form as the Board may approve.
43. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way was approved by the Directors may:
- (1) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours (excluding days that are not Business Days) before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (2) in the case of a poll taken more than 48 hours (excluding days that are not Business Days) after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours (excluding days that are not Business Days) before the time appointed for the taking of the poll.

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

- 43A Where the Company has given an electronic address in:

(a) a notice convening a general meeting of the Company; or

(b) an invitation to appoint a proxy issued by the Company in relation to a general meeting of the Company,

then the appointment of a proxy in relation to that meeting and the power of attorney or other authority, if any, under which the appointment is made (or a duly certified copy of that power or authority) or any other document relating to proxies for that meeting may be sent by electronic means to that electronic address (subject to any conditions or limitations specified in the notice of the meeting) if the document is received at such electronic address not less than 48 hours (excluding days that are not Business Days) before the time for holding the meeting or adjourned meeting.

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

COMPOSITION OF THE BOARD

45. (1) The Board shall consist of not more than fourteen Directors consisting of:
- (a) One Executive Director (who shall be the chief executive officer of the Company or any person appointed by PRS for the time being to fulfil the role of chief executive officer of the Company);
 - (b) Four Writer Directors (who shall be directors of PRS);
 - (c) Four Publisher Directors (who shall be directors of PRS);
 - (d) Four External Directors; and
 - (e) the chairman of PRS

ALTERNATE DIRECTORS

46. No Director shall have the power to appoint any other Director or any other person to be his alternate Director.

BORROWING POWERS

47. The Directors may, with the prior written consent of PRS, exercise all the powers of the Company to borrow or raise money without limit as to amount and upon such terms and in such manner as they think fit and to grant any mortgage or charge over its undertaking, property and uncalled capital, or any part thereof, and subject in the case of any security convertible into shares to sections 549 to 551 of the Act or any election of the Company in relation thereto, to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

POWERS OF DIRECTORS

48. Subject to the provisions of the Act, the Memorandum and these Articles and to any Directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 48A The Directors may delegate any of their powers to any committee consisting of one or more Directors and, if the Directors consider it desirable, any other senior executive in the employ of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board in these Articles) and for such period and subject to such conditions as they may think fit. Subject to any such conditions the proceedings of a committee of two or more persons shall be governed by the Articles regulating the proceedings of committees or, so far as they are capable of applying, of the Board.

48B In relation to any Director, the Board may, subject to and in accordance with section 175 of the Act and subject to such terms and conditions as the Board may think fit, from time to time authorise any matter in respect of which that Director has, or might be said to have, a direct or indirect interest that conflicts or may be said to conflict, with the interests of the Company. In respect of any such authorisation that might be provided by the Board, it shall be provided that where a Director has obtained any information through his involvement in such a position of actual or potential conflict otherwise than as a Director of the company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:

(a) disclose such information to the Directors or to any Director or other officer or employee of the Company;

(b) use or apply any such information in performing his duties as a Company,

where to do so would amount to a breach of that duty of confidence and PROVIDED that such other person has itself acknowledged the Director's duty of confidentiality to the Company and has waived any requirement for the Director to disclose to that other person any confidential information belonging to or relating to the Company.

48C Where, pursuant to any authorisation given to him under Article 49B or elsewhere in these Articles, a Director does or fails to do anything that would but for such authorisation be a breach of duty, he shall not, by reason of being a Director, be liable to the Company and no contract shall be avoided on such grounds.

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

RETIREMENT AND ROTATION OF DIRECTORS

50. (1) Office as a director immediately prior to 1 April 2015 shall be deemed office as Director for the purposes of this Article.

(2) Subject to Article 50(4), the Directors shall retire from office on and with effect from 31 December 2015. Thereafter, Directors shall be appointed by the Company in accordance with the provisions of Article 51 for a term of:

(a) in the case of the External Directors, three years, at the end of which period they shall retire from office;

(b) in the case of Writer and Publisher Directors, four years at the end of which period they shall retire from office PROVIDED THAT on and with effect from 31 December 2017, two Writer Directors and Two Publisher Directors shall retire from office, whereupon the Company shall in accordance with Article 51 appoint Directors in place of those retiring for a further term of four years at the end of which they shall retire from office.

- (3) Retiring Directors shall be eligible to stand for re-appointment to the Board and there shall be no limit on the number of consecutive terms that may be served by any Director.
- (4) The following persons shall not be subject to retirement from office:
 - (a) the chief executive officer or the Company, as Executive Director;
 - (b) the chairman of PRS.
- (5) For the purposes of the proviso to Article 50(2)(b), the Directors who are subject to retirement from office shall be agreed between themselves or, in the absence of such agreement, determined by lot.

APPOINTMENT OF DIRECTORS

51. The Directors shall be appointed by the Company in accordance with nomination procedures agreed by the PRS Board. Any such appointment shall be by notice given by PRS to the Company in accordance with Articles 83 and 84 and shall be deemed to be an act of the Company and not only of such Members.
52. The Company may, in the event of any casual vacancy occurring in the Board, fill such vacancy by appointing any person qualified pursuant to Articles 1 and 45, subject to the nomination procedures referred to in Article 51. The person so appointed shall be subject to retirement at the same time as his immediate predecessor in office would have been.

REMOVAL OF DIRECTOR

53. (1) The Company may by ordinary resolution (whether pursuant to section 168 of the Act or otherwise), of which special notice has been given in accordance with section 312 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such person.

VACATION OF OFFICE OF DIRECTOR

- (2) The office of a Director shall be vacated:
 - (a) if either PRS withdraws its support of any Writer Director or Publisher Director or External Director at any time, and that vacation shall be immediate upon receipt by the Company of notice of such withdrawal of support given in accordance with Articles 83 and 84;
 - (b) if the Director becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (c) if the Director becomes prohibited from being a Director by reason of any order made under Schedule 4 of the Company Directors Disqualification Act 1986;
 - (d) if the Director becomes of unsound mind;

- (e) if the Director, by notice in writing to the Company, resigns his office;
- (f) if the Director without special leave of absence from the Board absents himself from the meetings of the Board, either during a period of six successive calendar months or during a period covered by three consecutive meetings, whichever is the shorter;
- (g) if the Director, being the Executive Director, either:
 - (i) ceases to be in the employ of the Company; or
 - (ii) ceases to be chief executive officer of the Company or ceases to fulfil the role of chief executive officer of the Company;
- (h) if the Director being an External Director becomes:
 - (i) employed by either the Company or MCPS or PRS or
 - (ii) a member or director or an employee of a member of either MCPS or PRS,
- (i) if a Writer Director or Publisher Director of the Company no longer holds office as a director of PRS, and that vacation shall be immediate upon such termination of office;
- (j) if the Director being the chairman of PRS, ceases to be chairman of PRS.

DIRECTORS' REMUNERATION EXPENSES

54. (1) Each Director shall be entitled to receive a fee or fees of such amount as the Company may determine in general meeting.
- (2) The Board may remunerate in such manner as it thinks fit any Director who shall be called upon to render any special services and which he may agree to render to the Company, or who shall have rendered any special services to the Company.
- (3) The Directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Board or general meetings of the Company or in connection with the Company's business.

CHIEF EXECUTIVE

55. (1) The Directors may from time to time appoint one or more of their number to an executive office (including that of chief executive officer), managing director, manager or any other salaried office for such period and upon such terms as they think fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment.

- (2) The managing director, manager or other executive officer as aforesaid shall receive such remuneration whether by way of salary, commission or participation in profits or otherwise (either in addition to or in lieu of his remuneration as a director) as the Directors may from time to time determine.
- (3) The Directors may entrust to and confer upon a managing director, manager or other executive officer as aforesaid any of the powers exercisable by them upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time withdraw. Alter or vary all or any of such powers.

DIRECTORS' APPOINTMENTS AND INTERESTS

56. Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his as set out below, a Director notwithstanding his office:
- (1) may be a party to, or otherwise interested in, any transaction or arrangements with the Company or in which the Company is otherwise interested;
 - (2) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - (3) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

A Director who is in any way interested in a contract or a proposed contract with the Company (whether directly or indirectly) must declare the nature of his interest at any meeting of the Directors at which such contract or proposed contract is to be discussed, or otherwise by notice to the directors in accordance with the provisions of these Articles. Having made such disclosure a Director shall be entitled to vote at a meeting of Directors in respect of such contract or proposed contract in which he is interested and shall also be counted in reckoning whether a quorum is present or deemed to be present at the meeting of the Directors. A Director may, notwithstanding his office, hold and be remunerated in respect of any office or place of profit held in the Company provided that he has previously complied with all requirements of the Act relating to disclosure of interests, and he or any firm, company, or other body in which he has an interest may act in a professional capacity for the Company and be remunerated for such work and shall not by reason of his office be accountable to the Company for any benefit which he derives from any such office or place of profit.

57. For the purposes of Article 56:

- (1) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (2) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (3) a Director shall be considered to be interested in any contract, transaction or arrangement (if he would not otherwise be so interested) in which he is treated as interested for the purposes of section 177 of the Act. In the case of any transaction or arrangement with the Company in which the Director and which otherwise complies with Article 56 shall not be a disclosure as provided in Article 56 unless it relates to a specified firm or other body in which he is interested or to a specified person who is connected with the director within the meaning of sections 252 to 255 of the Act.

57A Articles 56 and 57 shall apply to Executive Directors and External Directors as they apply to all other Directors save that no Executive Director nor External Director shall be entitled to vote at a meeting of the Directors in respect of any contract or proposed contract in which he is interested and no Executive Director nor External Director shall be counted in reckoning whether a quorum is present or deemed to be present in relation thereto.

PENSIONS AND ALLOWANCES

58. The Directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business, or of any company which is a holding company or a subsidiary of the Company or is allied to or associated with the Company or with any such holding company or subsidiary, or who may be or have been directors or officers of the Company, or of any such other company as aforesaid, or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested, and the wives, widows, families, relations and dependants of any such persons, and establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, subject always, if so required by law, particulars with respect to the proposed payment being approved by the Company, and a Director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

MEETINGS AND NOTICES

59. (1) The Board may meet together for the despatch of business, adjourn or otherwise regulate its meetings, as it thinks fit. A Director of the chief executive of the Company may, and the Secretary on the requisition of a Director or of the chief executive of the Company shall, at any time summon a meeting of the Board.
- (2) Every Director shall be given at least seven days' written notice of a meeting, whether or not he is absent from the United Kingdom, and such notice shall specify the time and date and place of and the nature of the business to be transacted at a meeting. Every Director shall upon appointment designate an address where such notice shall be served, and shall be entitled from time to time by written notice on the Secretary to substitute a new address. Service of a notice on the then current address designated by the Director shall be deemed to be a valid notice under the Articles.

QUORUM

60. (1) The quorum necessary for the transaction of the business of the Board shall be six, of whom:
- (a) two Directors must be Writer Directors;
 - (b) two Directors must be Publisher Directors; and
 - (c) two Directors must be External Directors.
- (2) The quorum necessary for the transaction of the business of a committee under Article 48A shall be fixed by the Directors when establishing that committee.
- (3) Questions or issues arising at a meeting shall be decided by a simple majority of those present and entitled to vote.
- (4) Questions or issues arising at a meeting of any committee including Directors shall be decided by a simple majority of the votes of those present and entitled to vote.
- (5) The chairman of PRS shall not be entitled to vote on any resolution concerning any matter affecting the rights or interests of the members of PRS or the PRS Board in their capacity as writers or publishers.

CHAIRMAN

61. (1) The Board may appoint one of the External Directors as chairman of the Board.
- (2) The term of office applicable to the chairman shall be 3 years, after which that individual may seek reappointment by the Board.
- (3) There shall be no limit to the number of consecutive terms that may be served by a chairman.

- (4) If there is no Director holding the office of chairman, or if the Director holding it is unwilling or unable to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of the remaining External Directors present to be chairman of the meeting.

RESOLUTIONS

62. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at such a meeting duly convened and held, and may consist of several documents (including a telex, facsimile, cable, telegram or other form of electronic communication) each accurately stating the terms of the resolutions and each signed by one or more of the Directors.
- 62A. (a) Subject to Article 62A(b), a resolution in writing, signed by a Special Majority of Qualifying Directors shall be as valid and effectual as if it had been passed at a meeting of such Directors duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more of the Qualifying Directors.
- (b) A resolution under Art 62A(a) shall not be effective unless a notice in the prescribed form has been given to every Qualifying Director by such means and to such address as the Director shall have supplied for the purposes of receiving communications from the Society relating to meetings of Directors.
- (c) For the purposes of Article 62A(b), a notice shall be in the "prescribed form" if (and only if) the Notice –
- (i) is specified to be a notice of a written resolution under this Article; and
 - (ii) includes:
 - a. the terms of the resolution;
 - b. in respect of the resolution, the number of Qualifying Directors required to constitute the Special Majority; and
 - c. the Specified Address.
- (d) For the purposes of this Article –
- (i) "Notice" means the notice of resolution referred to in Article 62A(b)
 - (ii) "Special Majority" means not less than two-thirds of the Qualifying Directors of whom
 - a. at least two Directors must be Writer Directors,
 - b. at least two Directors must be Publisher Directors, and
 - c. at least two Directors must be External Directors;
 - (iii) "Qualifying Director" means any Director entitled to vote on the resolution concerned (including any Director for the time being absent from the United Kingdom);

- (iv) "Specified Date" means the date specified in the Notice as the earliest date on which the resolution, if signed by a majority of the Qualifying Directors is to take effect, which shall not be less than 24 hours after Notice is given.

PARTICIPATION IN MEETINGS

- 63. Any Director may validly participate in a meeting of Directors through the medium of conference telephone or video or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person in the meeting and, subject to Article 60(5), shall accordingly be counted in the quorum and be entitled to vote. Subject to the Act all business transacted in such a manner by the Directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the Directors notwithstanding that fewer than two Directors are physically present at the same place. A meeting held by such means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

MISCELLANEOUS

- 64. Where the Company, having only one member, enters into a contract (other than a contract entered into in the ordinary course of the Company's business) with the sole member of the Company and such sole member is also a director of the Company the terms of such contract shall, unless the contract is in writing, be set out in a written memorandum or be recorded in the minutes of the first meeting of directors following the making of the contract.
- 65. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 66. Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
- 67. If a question arises at a meeting of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall final and conclusive.
- 68. The Company may ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of the Board.

SECRETARY

69. (1) Subject to the provisions of the Act, the secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them. The Directors may from time to time by resolution appoint one or more joint, assistant or deputy secretaries to exercise the function of the secretary.
- (2) A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

MINUTES

70. The Directors shall cause minutes to be made in books kept for the purpose:
- (1) of all appointments of officers made by the Board or of any committee including Directors;
- (2) of the names of the Directors present at each meeting of the Board or of any committee including Directors;
- (3) of all resolutions and proceedings of general meetings and of meetings of the Board or of any committee including Directors.

Any such minutes of any meeting of the Directors or of the Company, if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes.

The books containing the minutes of the general meetings of the Company shall be kept at the office and shall be open to the inspection of members between the hours of 9.30am and 5.30pm on each Business Day.

THE SEAL

71. (1) The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board and in the presence of at least one Director and the Secretary or such other person as the Board may appoint for the purpose; and such Director and Secretary or other person as aforesaid shall sign every instrument to which the Seal is so affixed in their presence.
- (2) The Company may exercise the powers conferred by section 51 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.
- (3) The Company may dispense with the need for a company seal insofar as permitted by the Act.

DIVIDENDS

72. Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors.
73. Subject to the provisions of the Act, the Directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the Directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
74. Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.
75. A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
76. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.
77. No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

78. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

ACCOUNTS

79. The Board shall cause proper accounting records to be kept in accordance with sections 386 to 389 of the Act.
80. The books of account shall be kept at the registered office of the Company, or at such place or places in the United Kingdom as the Board thinks fit, and shall be open to the inspection of the Directors.
81. The Board shall from time to time determine whether, and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by statute, or authorised by the Board, or by the Company in general meeting.

CAPITALISATION OF PROFITS

82. The Directors may with the authority of an ordinary resolution of the Company:
- (1) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
 - (2) appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other: but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid;
 - (3) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this regulation in fractions; and
 - (4) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

NOTICES

83. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing. Unless otherwise expressly provided in these Articles, anything sent or supplied by or to the Company under the Articles or the Act may be sent or supplied in any way in which Schedules 4 and 5 of the Act provide for documents or information to be sent or supplied by or to the Company for the purposes of the Act.
84. (1) Any notice to be given under these Articles may be delivered personally or sent by first class post (airmail if overseas) or by electronic means or by any other manner permitted in these Articles or by the Act.
- (2) The address for service of any notice shall be as follows:
- | | |
|--|---|
| in the case of a member or his legal personal representative or trustee in bankruptcy: | such member's address as shown in the Company's register of members of the Company; |
| in the case of a director: | his last known address or at the address notified by him to the Company for that purpose; |
| in the case of the Company: | its registered office; and |
| In the case of any other person: | to his or its last known address. |
- (3) Any such notice in hard copy form shall be deemed to have been served and be effective:
- (a) if delivered personally, at the time of delivery;
 - (b) if posted, on receipt or at the expiry of two Business Days (or in the case of airmail four Business Days) after it was posted, whichever occurs first;
 - (c) if sent by telex or facsimile, at the time of transmission (if sent during normal business hours, that is 09.30 to 17.30 local time in the place to which it was sent) or (if not sent during such normal business hours) at the beginning of the next day in the place to which it was sent; and
 - (d) if sent by cable or telegram, at the time of delivery;

- (e) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
 - (f) if delivered in an electronic form, at the time of delivery; and
 - (g) if sent by any other electronic means, at the time such delivery is deemed to occur under the Act.
- (4) (a) In proving such service it shall be sufficient to prove that personal delivery was made, or that such notice was properly addressed stamped and posted or in the case of a telex that the intended recipient's answerback code is shown on the copy retained by the sender at the beginning and end of the message or in the case of a facsimile that an activity or other report from the sender's facsimile machine can be produced in respect of the notice showing the recipient's facsimile number and the number of pages transmitted.
- (b) Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the company at any time of notice wither that such method of communication has failed or of the intended recipient's non-receipt.
85. Notice of every general meeting shall be given to every member, and to the auditors for the time being of the Company, and to the Directors. No other persons shall be entitled to receive notices of general meetings.
86. A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
87. Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
88. In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding. Notice so given shall constitute notice to all the joint holders.

WINDING UP

89. In the event of and upon the winding up of the Company, whether voluntary or otherwise, at any time, the assets of the Company (other than any rights vested in or controlled by the Company pursuant to these Articles and any sums distributable) shall, in so far as they are available for the purpose, be transferred to PRS.

INDEMNITY

90. (1) Subject to Article 90(2):
- (a) the Board may resolve to indemnify any officer or employee of the Company out of the Company's assets against:
 - (i) any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust in relation to the Company;
 - (ii) any liability incurred by that person in connection with the activities of the Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
 - (iii) any other liability incurred by that person as an officer of the Company; and
- the Company may provide any officer with funds to meet expenditure incurred or to be incurred by him in connection with defending any civil or criminal proceedings or any application relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- (2) This Article 90 does not authorise or provide any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

Names and addresses of Subscribers

1. For and on behalf of
Instant Companies Limited
1 Mitchell Lane
Bristol BS1 6BU

2. For and on behalf of
Swift Incorporations Limited
1 Mitchell Lane
Bristol BS1 6BU

Dated this 26th day of September, 1997

Witness to the above Signatures:-

Mark Anderson
1 Mitchell Lane
Bristol BS1 6BU