

**VIDEO PERFORMANCE LIMITED**

**A Company limited by Guarantee**

**ARTICLES OF ASSOCIATION**

**(As adopted by a Special Resolution passed on 27 September 2016)**

**INTERPRETATION**

- 1(a). The words in the first column of the table below shall have the meaning set out opposite them in the second column below.

**WORDS**

**MEANINGS**

“1988 Act”	The Copyright, Designs and Patents Act 1988 or any relevant statutory modification or re-enactment thereof for the time being in force.
“these Articles”	These articles of association, as from time to time altered.
“the Act”	The Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force.
“Business Day”	A day that is not a Non-Working Day.
“clear days”	In relation to the period of a notice means the period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
“the Company”	Video Performance Limited.
“CRM Directive Regulations”	The Collective Management of Copyright (EU Directive) Regulations 2016, insofar as such legislation applies to the Company .
“directors”	The directors for the time being of the Company.
“Dubbing Right”	The exclusive right under the 1988 Act or otherwise to copy or to authorise the copying of any Music Video in or on the United Kingdom, the Channel Islands, the Isle of Man and all additional territories to which the 1988 Act shall extend or in or on any other territory only for the purpose of exercising or authorising the exercise of the Performing Right.
“Exclusive Agent”	An agent authorised to the exclusion of all persons including the copyright owner and, if any, its exclusive licensee to exercise a right which would otherwise be exercisable by the copyright owner and/or its exclusive licensee.

“Film”	A recording on any medium from which a moving image may by any means be produced.
“Net Distributable Revenue”	The sum to be distributed to Members as expressed in the audited accounts of the Company in the relevant year.
“Member”	A person admitted to membership of the Company and whose name appears on the Register.
“Member’s Assignment”	Such form of agreement as may from time to time be prescribed by the directors (subject to any requirement for decisions by the Members in general meeting under the CRM Directive Regulations) relating to the assignment by the Member to the Company of the Performing Right and the Dubbing Right and/or the appointment of the Company by the Member as Exclusive Agent or non-exclusive agent or licensee for the purposes referred to therein.
“Membership Agreement”	Such form of agreement as may from time to time be prescribed by the directors (subject to any requirement for decisions by the Members in general meeting under the CRM Directive Regulations) relating to membership of the Company.
“Membership Eligibility Criteria”	Has the meaning attributed to it in article 7.
“Music Video”	A Film or extract from a Film made used or supplied at any time for the purposes of accompanying or being in any way associated with a discrete Musical Work.
“Musical Work”	A work consisting of music exclusive of any words or action intended to be sung spoken or performed with the music.
“Non-Working Days”	A day that is a Saturday or Sunday, Christmas Day, Good Friday or any day that is a bank holiday in England and Wales.
“Performing Right”	<p>The exclusive right under the 1988 Act or otherwise in or on the United Kingdom, the Channel Islands, the Isle of Man and all additional territories to which the 1988 Act shall extend and/or in or on any other territory to do the following acts or any of them namely: -</p> <ul style="list-style-type: none"> <li>(i) to play any Music Video in public, to perform any Music Video in public and to cause any Music Video to be heard in public;</li> <li>(ii) to communicate any Music Video to the public by way of broadcast, making available or otherwise; and</li> </ul>

- (iii) to authorise another to do any of the acts stated in (i) and (ii) above

but in all cases excluding any use of Music Videos by means of their incorporation into the soundtrack of a feature film originally produced for theatrical release and subsequent use of such Music Videos as so incorporated.

"Proprietors"	persons (whether Members or otherwise) being producers of Music Videos and/or owners of or otherwise entitled to the Performing Right and/or the Dubbing Right in respect of Music Videos.
"Register"	The register of Members to be kept under section 113 of the Act.
"Seal"	Any common or official seal that the Company may be permitted to have under the Statutes.
"Secretary"	The secretary of the Company or, where there are joint secretaries, any of the joint secretaries, including any deputy secretary, assistant secretary or any other person appointed to perform the duties of the secretary of the Company from time to time.
"Statutes"	The Act and every other act, statute, statutory instrument, regulation or order for the time being in force concerning companies and affecting the Company.
"United Kingdom"	The United Kingdom of England, Wales, Scotland and Northern Ireland including its territorial waters, structures and vessels on its sector of the continental shelf and British ships, aircraft and hovercraft as provided by sections 161 and 162 of the 1988 Act.
"UK Performing Right"	The Performing Right insofar as it extends to acts in or on the United Kingdom, the Channel Islands, the Isle of Man and all additional territories to which the 1988 Act shall extend.

1(b). Unless the context requires otherwise:

- (i) words importing the singular number only shall include the plural number, and vice versa;
- (ii) words importing the masculine gender only shall include the feminine gender;
- (iii) words importing persons shall include bodies corporate, partnerships and unincorporated associations and whether domiciled in the United Kingdom or elsewhere; and
- (iv) any words or expressions defined in the Act shall bear the same meaning in these Articles.

1(c). Reference to any statute or statutory provision includes a reference to statutory instruments and orders made further to it and includes consolidation or amendments or modifications or re-enactments. Reference to an "article" is a reference to the relevant article of these Articles.

- 1(d). The headings are inserted for convenience only and shall not affect the construction of these Articles.
- 1(e). In the event of any conflict between the provisions of these Articles and the provisions of the CRM Directive Regulations, the relevant conflicting provisions of these Articles shall, to the extent necessary, be subject to and construed in accordance with the relevant provisions of the CRM Directive Regulations.
2. For the purposes of registration the number of Members of the Company is declared to be unlimited.
3. The objects for which the Company is established are:
  - (A) To exercise and enforce on behalf of the Proprietors all rights and remedies of the Proprietors, by virtue of the 1988 Act or otherwise, in respect of the Performing Right and/or Dubbing Right and otherwise to act on behalf of the Proprietors in matters relating to the Performing Right and/or Dubbing Right or such other rights of the Proprietors as may from time to time be assigned or licensed to the Company, or in respect of which the Company may from time to time be appointed as agent, in respect of Music Videos.
  - (B) In the exercise and enforcement of such rights and remedies to authorise others under licence or agreement or other arrangement and to make and from time to time rescind, alter or vary any such licences or agreements or other arrangements with respect to the Performing Right and/or Dubbing Right or other rights of the Proprietors in respect of Music Videos in any respect whatever and to collect and receive and give effectual discharges for all royalties, fees and other moneys payable under such licences agreements and other arrangements or otherwise in respect of the Performing Right and/or Dubbing Right by all actions or other proceedings and to recover such royalties, fees and other moneys and to restrain and to recover damages for any infringement of the Performing Right and/or Dubbing Right or any other rights of the Proprietors or of the Company in respect of Music Videos and to release, compromise or to refer to arbitration any such proceedings or actions or any other disputes or differences.
  - (C) To obtain from the Proprietors and to act in accordance with such assignments, assurances, appointments as Exclusive Agents, appointments as non-exclusive agents, appointments as licensees, powers of attorney or other authorities or instruments as the Company may deem necessary or expedient for enabling the Company to acquire the legal estate in the Performing Right and/or the Dubbing Right or other rights in Music Videos and to exercise and enforce in its own name or otherwise all such rights and remedies and to execute and do all such assurances, agreements and other instruments and acts as the Company may deem necessary or expedient for the purpose of the exercise or enforcement by the Company of such rights and remedies.
  - (D) To make and from time to time alter or vary any rules for regulating (1) the manner in which, the period or periods for which, and the conditions under which the Proprietors shall authorise the Company to exercise and enforce such rights and remedies in respect of such Music Videos; (2) the method and proportions by and in which and the times at which the net moneys received by the Company in respect of the Performing Right and/or the Dubbing Right shall be divided and apportioned among the Members of the Company and others directly or indirectly involved, in the opinion of the Company, in the production of

such Music Videos or other persons so entitled; (3) the administration of the property or business of the Company and any matters incidental thereto.

- (E) To invest the monies of the Company in or upon such investments, securities or property in any other company or organisation having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as directly or indirectly to benefit the Company and/or any Member or Members and/or in the interests (directly or indirectly) of any Member or Members.
- (F) To authorise any Member, person, body or organisation on such terms as the Company may deem necessary or expedient to institute and/or prosecute and/or conduct proceedings before any court, tribunal or other body and/or to take and/or authorise such steps and/or any other action on behalf of the Company and/or any Member and/or in the interests (directly or indirectly) of any Member designed intended or undertaken to stop, prevent, discourage and/or obtain compensation or such other relief as may be available in respect of the actual threatened or suspected piracy or counterfeiting of, or the infringement of the copyright in, Music Videos (or related rights) and to authorise any such Member, person, body or organisation to retain all such compensation or such other relief as may be due to its Members as a result of any such action PROVIDED THAT neither the Company nor any Member(s), person, body or organisation so authorised by the Company shall be under any obligation to take any such action on behalf of any individual Member.
- (G) To take any action or assist any person or body which the Company may think is in the interests of any Member (including, without prejudice to the generality of the foregoing, the provision of funds to any person or body as and on such terms as the Company may think is necessary or expedient in the interests of any Member) and/or which the Company may think appropriate with a view to protecting or furthering or enhancing directly or indirectly (i) any interest of and/or any right of the Company and/or (ii) any interest of and/or right of any Member of the Company.
- (H) To grant gratuities, donations, pensions, allowances, bonuses and emoluments to any person at any time in the employment of the Company, or engaged in any business acquired by the Company, and the spouses, widows, widowers, families and dependants of any such persons, and establish and support or aid in the establishment and support of any charitable or benevolent associations or institutions, and to subscribe or guarantee money for charitable or benevolent purposes in any way connected with the purposes of the Company or calculated to further its objects.
- (I) To carry on any business, agency or activity which may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated, directly or indirectly, to enhance the value of or render profitable any of the assets, property or undertaking of the Company.
- (J) To acquire or undertake the whole or any part of the business, properties or liabilities of any person, firm, association or company carrying on any undertaking or business which the Company is authorised to carry on or possessed of any assets or property capable of being used by the Company.
- (K) To enter into partnership or any arrangement for sharing profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with

any person, firm association or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company and to amalgamate with or become affiliated to any such association or company, and to lend money to, guarantee the contracts of or otherwise assist any such person, association or company and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.

- (L) To purchase, take on lease or in exchange, hire or otherwise acquire any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its undertaking or business, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
- (M) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time seem directly or indirectly to benefit the Company.
- (N) To borrow and raise money in any manner and to secure the repayment of money borrowed, raised or owing in such manner as the Company shall think fit, and in particular by mortgage, charge, standard security, lien or other security, upon the whole or any part of the Company's property or assets (whether present or future), and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (O) To lend and advance money or give credit on any terms and with or without security to any person, firm or company, to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company.
- (P) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department for Business, Innovation and Skills or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (Q) To enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any rights, privileges or concessions which the Company may think desirable to obtain and to carry out, exercise, and comply with any such arrangements, rights, privileges, and concessions.
- (R) To issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations, subscriptions or otherwise or for the purpose of further attainment of the objects of the Company of any of them.

- (S) To take and accept any gifts of money, property or other assets subject to any special trust or not.
- (T) To make to and for the benefit of the Members, Proprietors, or any person or body of persons representing them or any of them or to or for the benefit of trade associations, research establishments or other persons or organisations such payments, subscriptions or other disbursements as and on such terms as shall in the opinion of the directors be necessary or desirable in the interests (directly or indirectly) of the Company and/or the Members or any of them.
- (U) To lobby and make submissions on behalf of the Company, the Members, Proprietors, or any of them before any body, tribunal, court, body of enquiry or other organisation or forum directly or indirectly concerned or connected with matters relating to the Performing Right and/or the Dubbing Right and/or any other right as may from time to time be assigned or licensed to the Company in respect of Music Videos and/or generally in the interests of the Company and/or the Members or any of them and/or the recorded music industry.
- (V) To remunerate any person or company for services rendered or to be rendered in placing or guaranteeing and placing any debentures, debenture stock or other securities of the Company, or in or about the formation or promotion of the Company, or in the conduct of its business.
- (W) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, promissory notes, bills of exchange, warrants, debentures and other negotiable or transferable instruments.
- (X) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the Company.
- (Y) To adopt such means of making known the operations of the Company as may seem expedient, including advertising in the press, circulars and publication of books and periodicals and to pay all or any expenses so incurred.
- (Z) To procure the Company to be registered or recognised in any foreign country or place.
- (AA) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
- (BB) To appoint any agent or agents for the collection and the recovery of any moneys receivable by the Company in the exercise of its powers or otherwise for the purpose of the exercise of any such powers.
- (CC) To do all such things as are necessary or desirable for the Company to comply with the CRM Directive Regulations.
- (DD) To do all or any of the above things, in any part of the World, whether as principals, agents, contractors, trustees or otherwise, or by or through trustees, agents or otherwise, and whether alone or in conjunction with others.

- (EE) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.

AND so that:

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this Clause, or by reference to or inference from the name of the Company.
  - (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each sub-clause contained the objects of a separate company.
- 3A. The liability of the Members is limited.
4. The Regulations referred to in Table C contained in The Companies (Tables A to F) Regulations 1985 shall not apply to the Company. The model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 shall not apply to the Company.
5. In these Articles (if not inconsistent with the subject or context) any reference to:
- (i) a document includes reference to a document in electronic form;
  - (ii) the expressions electronic form and electronic means have the same meaning as in section 1168 of the Act;
  - (iii) a document being executed includes references to it being executed under hand or seal or, in the case of a document in electronic form, by electronic signature or such other means of verifying the authenticity of the communication that the directors may from time to time approve;
  - (iv) an instrument means a written document having tangible form (e.g. on paper);
  - (v) in writing and written means the representation or reproduction of words, numbers or symbols in a legible and non-transitory form by any method or combination of methods whether in electronic form or otherwise and including (without limitation) by telex, telegram, facsimile and e-mail; and
  - (vi) address in relation to a document sent in electronic form, includes any number or address used for the purposes of such communications.
6. Powers of delegation shall have the widest interpretation and: (a) the word board in the context of the exercise of any power includes any committee consisting of one or more directors, any director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated; (b) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and (c) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of the power.



## MEMBERSHIP

7. Any person wishing to become a member of the Company shall be eligible to do so, in accordance with the process set out in article 7A, provided that in the reasonable assessment of the Company they meet the following criteria (“**Membership Eligibility Criteria**”):

(i) The person must be:

- (a) the owner or exclusive licensee of the UK Performing Right and Dubbing Right in at least one Music Video (or a person entitled or prospectively entitled to the benefit of such UK Performing Right and Dubbing Right); or
- (b) where applicable (and in respect of such rights) that person’s executor, administrator, other personal representatives, trustee in bankruptcy, receiver, curator bonis or other party entitled to exercise powers with regard to the property or affairs of that person by reason of his mental disorder

In the event that the Company refuses an application for membership, it shall provide the applicant with a clear explanation of the reasons for its decision.

7A. In respect of any application for membership of the Company:

- (i) Every such application shall be made to the Company in writing in the form of the Membership Agreement delivered to the Company together with the Member’s Assignment executed by the applicant and such other documentation as the Company may from time to time require applicants to provide; and
- (ii) Membership shall be conditional on the execution by the applicant of the Member’s Assignment and the proper completion by the applicant of the Membership Agreement.

8. (i) Every Member at the date of adoption of these Articles (insofar as he has not already done so) shall on such adoption and as a condition of continued membership execute the then current Member’s Assignment.

- (ii) Every Member shall during his membership and as a condition of continued membership from time to time if and when requested by the Company in writing so to do execute all or any further agreement or agreements, assignments, assurances, powers of attorney or other authorities or instruments in the form prescribed by the Company as may from time to time be resolved by the directors or by the Company in general meeting.

9. The Company may at any time without prejudice to the provisions of the Membership Agreement and the Member’s Assignment or any other provision of these Articles return to the Member any part of the Performing Right and/or Dubbing Right and do so on either an exclusive or non-exclusive basis (whether to enable Members to exercise any rights under the CRM Directive Regulations or otherwise).

10. (i) Subject to the provisions of articles 11, 11A and 12 no Member shall be or purport to be at liberty to transfer his membership to any third party or to alienate, deal in or exercise the UK Performing Right and/or Dubbing Right vested in the Company by the Member, or controlled by the Company by virtue of his membership, or required by these Articles to be so vested or controlled.

- (ii) In the case of a Member who is an individual, his membership of the Company shall cease and not be transmissible or transferable to any third party

- (a) on the death or bankruptcy of that Member;
- (b) if that Member is suffering from mental disorder and an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs.

Notwithstanding the cessation of such membership, the rights vested in the Company by the Member shall remain so vested until such time as those rights shall have been assigned to or at the direction of the Member's executor, administrator, other personal representatives, trustee in bankruptcy, receiver or curator bonis, or other person entitled to exercise powers with respect to his property or affairs by reason of his mental disorder, as the case may be (in this paragraph called the "Representative"). Until that time, any payment to which the Member would if living, solvent or not subject to such order as is mentioned in (b) above have been entitled shall be made to the Representative. The assignment of those rights shall be executed in accordance with the applicable Member's Assignment after service of a written notice by the Representative on the Company or by the Company on the Representative requesting such assignment; but prior to executing the assignment the directors shall be entitled to require proof in such form as they think fit of the entitlement of the Representative to require or direct the assignment in question.

- (iii) In the case of a corporation or partnership, being a Member of the Company, its membership shall cease, in the case of a corporation, in the event of and upon the corporation being dissolved or struck off the register of companies and in the case of a partnership, in the event of and upon such partnership being dissolved. Notwithstanding the cessation of such membership, the rights vested in the Company by such corporation or partnership shall remain so vested until such time as those rights shall have been assigned to or at the direction of the liquidator, administrator, administrative receiver, receiver or other person entitled to control the affairs or winding up of the corporation or the partnership as the case may be (in this paragraph called the "Office Holder"). Until that time, if any resolution has been passed or any order has been made for the winding up, liquidation or administration or a receiver or administrative receiver has been appointed over all or part of the assets of such corporation or as the case may be partnership, any payment to which the corporation or partnership would have been entitled shall be made to the Office Holder or (if different) the person entitled for the time being to receive debts due to the corporation or partnership. The assignment of those rights shall be executed in accordance with the applicable Member's Assignment after service of a written notice served by the Office Holder on the Company or by the Company on the Office Holder requesting such assignment; but prior to executing the assignment the directors shall be entitled to require proof in such form as they think fit of the entitlement of the Office Holder to require or direct the assignment in question.
- (iv) Upon the dissolution of the Company, the rights (if any) vested in the Company by any Member or controlled by the Company by virtue of his membership shall revert to such Member, his personal representative, administrator or trustee in bankruptcy or other successor in title as the case may be.

11. Article 10(i) shall not preclude a Member from assigning or otherwise dealing in the reversionary interest in the UK Performing Right and/or Dubbing Right vested in the Company, provided that, without prejudice to article 12, the Company shall not be obliged to recognise any person other than the Member as being the person entitled for

the time being to receive revenue in respect of any Music Video registered in the name of that Member except where the Member has notified the Company in accordance with the Company's standard procedures from time to time that the entire benefit of its rights in respect of a Music Video have been transferred to another Member for the time being.

- 11A. Article 10(i) shall not preclude a Member from granting licences of the UK Performing Right and/or Dubbing Right for non-commercial uses (pursuant to, and within the meaning of, Regulation 4(c) of the CRM Directive Regulations), so long as such granting of licences is in accordance with the conditions relating to the same that the Company adopts and publishes from time to time.
12. Any Member may terminate his membership of the Company at any time on at least six calendar months' previous notice in writing to the Secretary and, in the event of such termination, all rights and authority assigned shall, on the expiry of such notice, be re-assigned by the Company to such Member in accordance with the applicable Member's Assignment, and all grants of rights to the Company by such Member shall terminate but without prejudice to any antecedent claim by the Company or such Member. In the case of any licences covering such Member's Music Videos that have been granted by the Company prior to such termination, the Company shall use its reasonable efforts promptly to comply with the formalities or notices required (if any) under such licences to remove from the scope of such licences such Member's Music Videos.
13. The Company may give to any Member notice in writing signed by the Secretary to terminate that Member's membership of the Company at the expiration of twenty-one days from the date of such notice, if at any time in the reasonable assessment of the Company the Member no longer meets the Membership Eligibility Criteria as set out in Article 7 (or if there are other objective, transparent and non-discriminatory grounds to do so). Such notice must provide the Member with a clear explanation of the reasons for such termination. On the expiration of such twenty-one days, the Member's membership of the Company shall cease, provided always that if before the expiration of such notice the Member shall in writing require the Company to submit the question of the continuance of his membership to the decision of the directors at the next meeting of the directors, he shall not cease to be a Member unless and until the directors shall have considered the matter and approved such termination. If the directors shall approve such termination, the Member shall be deemed to have ceased to be a Member on the date of such approval. On termination of a Member's membership under this article 13, all rights and authority assigned to the Company by such Member shall, on the effective date of such termination, be re-assigned to him in accordance with the applicable Member's Assignment and all grants of rights to the Company by such Member shall terminate but without prejudice to any antecedent claims by the Company or such Member. In the case of any licences covering such Member's Music Videos that have been granted by the Company prior to such termination, the Company shall use its reasonable efforts promptly to comply with the formalities or notices required (if any) under such licences to remove from the scope of such licences such Members' Music Videos.

#### **GENERAL MEETINGS**

14. The Company shall in each calendar year hold a general meeting as its annual general meeting and shall specify the meeting as such in notices calling it; provided always that not more than fifteen calendar months shall elapse between the date of the annual general meeting of the Company and that of the next annual general meeting. The annual general meeting shall be held at such time and place as the directors shall appoint.

15. All general meetings other than annual general meetings shall be called extraordinary general meetings.
16. All Members, directors, and auditors of the Company shall be entitled to notice of and to attend general meetings.
17. The directors may, whenever they think 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 provided by section 303 of the Act or any substituted provision. If at any time there are not within the United Kingdom sufficient directors capable of acting to form a quorum for the purposes of convening an extraordinary general meeting any director or any two or more Members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.
18. If at any general meeting of the Company it shall be resolved by not less than 75% (seventy five percent) of the Members that the Company should be dissolved or wound up, then an extraordinary general meeting of the Company shall forthwith be convened and held for submitting a special resolution for the winding up of the Company in accordance with the provisions of the Insolvency Act 1986 and section 283 of the Act. Any distributable funds at the date of such winding up shall be distributed pro-rata between the Members, according to the percentage of Net Distributable Revenue allocated by the Company to each of the Members in respect of the most recent year for which such percentages are available.
19. A general meeting may be held at more than one place if:
  - (i) the notice convening the meeting specifies that it shall be held at more than one place; or
  - (ii) the directors resolve, after the notice convening the meeting has been given, that the meeting shall be held at more than one place; or
  - (iii) it appears to the chairman of the meeting that the place of the meeting specified in the notice convening the meeting is inadequate to accommodate all persons entitled and wishing to attend.
20. A general meeting held at more than one place shall be duly constituted and its proceedings valid if (in addition to the other provisions in these Articles relating to meetings) the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that each person present at each place is able to:
  - (i) participate in the business for which the meeting has been convened;
  - (ii) hear and see all persons who speak (by the use of microphones, loudspeakers, audio-visual communications equipment or otherwise, whether such equipment is in use when these Articles are adopted or developed subsequently) in each meeting place, and be heard and seen by all other persons so present in the same way;
  - (iii) have access to all documents which are required by the Statutes or these Articles to be made available at the meeting; and
  - (iv) (in accordance with his rights under the Statutes and these Articles) vote on a show of hands and on a poll and be represented by a proxy.
21. The meeting shall be deemed to take place at the place at which the chairman of the meeting is present (the "Principal Venue").

22. Article 38 shall apply to any interruption or adjournment of a meeting which is being held in more than one place.
23. Each person present in person at each meeting place shall be counted in the quorum for, and be entitled to vote at, the general meeting.
24. The directors may make arrangements for persons entitled to attend a general meeting or an adjourned general meeting to be able to view and hear the proceedings of, and to speak at, that meeting (in the manner set out in articles 19 to 23) from a location which is not classified as a meeting place. The persons attending at any such location shall not be regarded as present at the general meeting or adjourned general meeting and shall not be entitled to vote at the meeting. The inability for any reason of any person present at such a location to view or hear all or any of the proceedings of, or to speak at, the meeting shall not affect the validity of the proceedings of the meeting.
25. The directors may from time to time make such arrangements for limiting the level of attendance at any location for which arrangements have been made under articles 19 to 24 as it considers appropriate. These arrangements may include the issue of tickets (on a basis intended to afford all members and proxies entitled to attend the meeting an equal opportunity of being admitted to any specific venue) or the imposition of some random means of selection for admission to that venue. In this case, the arrangements must allow any members and proxies excluded from attendance at the Principal Venue to attend at one of the other venues.
26. If, after the giving of notice of a meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the directors decide that it is impracticable or unreasonable for reasons beyond their control to hold the meeting at the declared place (or any of the declared places, in the case of a meeting to which articles 19 to 25 apply) and/or time, they may change the place (or as appropriate any of the places) and/or postpone the time at which the meeting is to be held.
27. If such a decision is made, the directors may then change the place (or as appropriate any of the places) and/or postpone the time again if they decide that it is reasonable to do so.
28. In either case:
  - (i) no new notice of the meeting need be given, but the directors shall, if practicable, advertise the new place, date and/or time of the meeting in at least one leading national daily newspaper and shall make arrangements for notices of the change of place and/or postponement to appear at the original place and/or at the original time; and
  - (ii) an appointment of proxy in relation to the meeting may be deposited or delivered in any manner permitted by these Articles at any time not less than 48 hours before any new time fixed for holding the meeting.
29. The directors and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction they or he considers appropriate to ensure the security of a meeting including, without limitation, requirements for evidence of identity to be produced by any person attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. A director or the Secretary may refuse entry to a person who refuses to comply with these arrangements, requirements or restrictions. They may also arrange for persons to be removed from a meeting.

## **NOTICE OF GENERAL MEETINGS**

30. Any general meeting of the Company shall be called by not less than fourteen clear days' notice in writing provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this article, be deemed to have been duly called if it is so agreed by a majority in number of those Members entitled to attend and vote holding not less than 90% (ninety percent) of the total voting rights.
31. The notice shall specify the place, the day and hour of meeting and the general nature of the business to be transacted and shall be given in any manner permitted by these Articles or in such manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notice from the Company. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

32. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as otherwise provided for in these Articles, the quorum shall be five Members present personally or by their proxy or a duly authorised representative (in the case of a Member who is a corporation).
33. If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on 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 place, day and such other time and place as the chairman of the meeting shall appoint, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be the quorum.
34. No amendment to a resolution to be proposed as an ordinary resolution may be considered or voted on (other than a mere clerical amendment to correct a patent error) unless either:
  - (i) at least 48 hours before the time fixed for the meeting or adjourned meeting at which the ordinary resolution is to be considered, notice of the terms of the amendment and the intention to move it has been delivered by means of an instrument to the office or such other place as may be specified by or on behalf of the Company for that purpose, or received in an electronic communication at such address (if any) for the time being notified by or on behalf of the Company for that purpose; or
  - (ii) the chairman of the meeting in his absolute discretion decides that the amendment may be considered and voted on.
35. No amendment to a resolution to be proposed as a special resolution may be considered or voted upon whatsoever, other than a mere clerical amendment to correct a patent error or as may otherwise be permitted by law.
36. If the chairman of the meeting rules an amendment to any resolution admissible or out of order (as the case may be), the proceedings on the resolution shall not be invalidated by any error in his ruling. Any ruling by the chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive.
37. With the consent of the chairman of the meeting, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote.

38. With the consent of any meeting at which a quorum is present, the chairman of the meeting may adjourn the meeting from time to time, and from place to place, as the meeting shall determine. Whenever a meeting is adjourned for ten days or more notice of the adjourned meeting shall be given in the same manner as the original meeting. Otherwise, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place. In addition, the chairman of the meeting may without such consent adjourn the meeting to another time and/or place if in his opinion:
- (i) it is or is likely to be impracticable to hold or continue the meeting because of the number of members wishing to attend; or;
  - (ii) the conduct of any persons attending the meeting prevents or is likely to prevent the orderly conduct of the business of the meeting; or
  - (iii) (where a general meeting is being held at more than one place) the facilities at any such place have become inadequate; or
  - (iv) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.
39. The chairman shall chair every general meeting, but if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, the Members present shall choose another director or if no such other director be present, or if all the other directors present shall decline to take the chair, they shall choose a Member who is present to chair the meeting.
40. (i) At all general meetings a resolution put to the vote of the meeting shall (subject to the Act and the CRM Directive Regulations) be decided on a show of hands by a majority of the Members present in person and entitled to vote unless before or upon the declaration of the result of the show of hands a poll be demanded by the chairman or by one or more Members present in person or by proxy, provided always that a resolution put to the vote of the meeting in order to decide the election or re-election of directors shall be decided on a poll whereby the person qualified receiving the highest number of votes of Members represented in person or by proxy and entitled to vote shall be deemed elected or re-elected as a director. To the extent that a general meeting shall be required to elect or re-elect more than one director, the person qualified receiving the next highest number of such votes shall be deemed elected or re-elected as a director and any further vacancies shall be deemed to be filled by the person or persons recording the next highest number of such votes.
- (ii) If a poll is demanded, it shall take place at such time and place and in such a manner as the chairman of the meeting shall decide and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. A declaration by the chairman of the meeting that a resolution has been carried, or has been carried by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the minute book of the Company shall be binding evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
  - (iii) A director of the Company shall be entitled to attend and speak at any general meeting of the Company notwithstanding he is not a Member.

## VOTES OF MEMBERS

41. Save as otherwise expressly provided in these Articles, every Member shall have one vote on a show of hands and on a poll.
42. Save as herein expressly provided, no person other than a Member duly registered in accordance with article 7, and who shall have paid every subscription or other sum (if any) which shall be due and payable to the Company in respect of his membership, shall be entitled to receive notice of, to be present at and to vote, either personally, by his corporate representative, or by proxy, or as proxy for another Member at any general meeting.
43. Any corporation which is a Member may (by resolution of its board of directors or other governing body) authorise any person to act as its representative at any meeting of the Company. A person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were a Member at such meeting. Any director or the Secretary may (but shall not be bound to) require evidence of the authority of any representative.
44. Votes shall be given either personally or by proxy. A Member is entitled to appoint any person as his proxy to attend, speak and vote at any general meeting of the Company, provided that such appointment does not result in a conflict of interest.
45. The appointment of a proxy shall not preclude a Member from attending and voting in person at the meeting.
46. An appointment of a proxy shall be:
  - (i) by means of an instrument or a document in electronic form;
  - (ii) in any usual or common form or in any other form which the directors may from time to time approve; and
  - (iii) executed by the appointor or his agent or, if the appointor is a corporation by a duly authorised officer, attorney or other authorised person or under its common seal.
47. The directors may, if they think fit, but subject to the Statutes, at the Company's expense send forms of proxy for use at the meeting and issue invitations in electronic form to appoint a proxy in relation to the meeting in such form as the directors may approve.
48. The appointment of a proxy shall:
  - (i) in the case of an instrument, be delivered personally or by post to the office or such other place within the United Kingdom as may be specified by or on behalf of the Company for that purpose:
    - (a) in the notice convening the meeting; or
    - (b) in any form of proxy sent by or on behalf of the Company in relation to the meeting,not less than 48 hours (excluding Non-Working Days) before the time fixed for holding the meeting at which the person named in the appointment proposes to vote; or



- (ii) in the case of an appointment in electronic form, where an address has been specified by or on behalf of the Company for the purpose of receiving documents in electronic form:
  - (a) in the notice convening the meeting;
  - (b) in any form of proxy sent by or on behalf of the Company in relation to the meeting; or
  - (c) in any invitation contained in electronic form to appoint a proxy issued by or on behalf of the Company in relation to the meeting,

be received at that address not less than 48 hours (excluding Non-Working Days) before the time appointed for holding the meeting at which the person named in the appointment proposes to vote; or

- (iii) in either case, where an adjourned meeting is to be held more than 48 hours after the time fixed for the original meeting, be delivered or received as set out in article 48(i) or 48(ii) after the meeting adjourned at least 24 hours before the time appointed for taking the meeting; or
  - (iv) in the case of an instrument, where an adjourned meeting is to be held 48 hours or less after the time fixed for the original meeting, be delivered at the original meeting to the chairman of the meeting or to the Secretary or to any director or as directed at the meeting by the chairman of the meeting.
49. If the appointment of proxy is not delivered or received in the manner required above, the appointment shall not be treated as valid and the person named in the appointment of proxy shall not be entitled to vote at the meeting in question.
50. No appointment of proxy shall be valid after the expiration of 12 months from the date stated in it as the date of its execution.
51. If two or more valid appointments of proxy are received in respect of the same Member in respect of the same meeting, the one which was executed last shall be treated as replacing and revoking the others; if the Company is unable to determine which was executed last, none of them shall be treated as valid.
52. An appointment of a proxy shall, unless the contrary is stated on the proxy, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An appointment relating to more than one meeting (including any adjournment of a meeting) having been duly delivered for the purposes of any meeting shall not require to be delivered again in relation to any subsequent meetings to which it relates.
53. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy, provided that no intimation of the death or revocation shall have been received at the registered office of the Company not less than one hour before the time fixed for holding the meeting.

54. An instrument appointing a proxy shall be in the following form or any other form which the directors may approve from time to time: -

Video Performance Limited

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the county of \_\_\_\_\_, being a Member/Members of the Company, hereby  
appoint \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ or failing him, \_\_\_\_\_ of \_\_\_\_\_ as my/our  
proxy to vote for me/us in my/our name[s] on my/our behalf at the (annual or  
extraordinary, as the case may be) general meeting of the Company to be held on the  
day of \_\_\_\_\_ 20 \_\_\_\_\_ and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ .

### **BOARD OF DIRECTORS**

55. Until otherwise determined by a general meeting, the number of directors (other than alternate directors) shall not be less than six or more than twelve. The Company may, by ordinary resolution, from time to time vary the minimum and/or maximum number of directors. A director shall not be required to be a Member.
56. Of the directors permitted by article 55, not more than four shall be executive directors (being directors who devote all or a substantial part of their time to the day to day running of the Company) and not more than eight shall be other non-executive directors.
57. Intentionally left blank.
58. The directors may appoint a person to be chairman of the board of directors (the "Chairman") and determine the period for which he is to hold office. The directors may also revoke any such appointment. The Chairman shall chair all meetings of the directors at which he shall be present, but if at any meeting of the directors the Chairman shall not be present within ten minutes after the time appointed for holding the meeting or shall have intimated his inability to be present, the directors present shall choose one of their number to be chairman of that meeting. The Chairman shall be subject to the same provisions as to resignation, removal and retirement by rotation as the other directors. The Chairman shall hold office until the annual general meeting next following his election when he may offer himself for re-election. If re-elected as Chairman he shall hold office thereafter. No person may offer himself for election or re-election as Chairman unless:-
- (i) his nomination is supported by two or more directors; and
  - (ii) written notice of his nomination is given to the Secretary not less than fourteen clear days before the board meeting or general meeting at which his election or re-election is to be considered.
59. Subject to the provision of this article 59, the directors may from time to time, and at any time, and upon such terms and conditions as they may from time to time determine, appoint any person as a director provided that the prescribed maximum is not thereby exceeded. Any director so appointed shall retain his office only until the next annual general meeting, and he shall then be eligible for re-election but he shall not be taken into account in determining the retirement of directors by rotation at such meeting.

60. Intentionally left blank.
61. The continuing directors may act notwithstanding any vacancy in the board of directors provided always that in the case that the directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act for the purpose of filling up vacancies in the board, or of summoning a general meeting, but not for any other purpose.

### **DIRECTORS' FEES**

62. Any director who holds any executive office or who serves on any committee or who acts as trustee of a retirement benefits scheme or employees' share scheme or who otherwise performs services which, in the opinion of the directors are beyond the ordinary duties of a director may be paid such extra remuneration by way of salary, commission or otherwise as the directors may determine.
63. The Company will pay to any director all proper and reasonable expenses incurred by him in attending and returning from meetings of the directors or of any committee or general meetings or otherwise in connection with the business of the Company or in the performance of his duties as a director.
64. The directors shall have power to pay, provide or procure the grant of retirement, death or disability benefits, annuities or other allowances, emoluments, benefits or gratuities to any person who is or has been at any time director of, or in the employment or service of, the Company or of any other undertaking which is or was at some time:
- (i) a subsidiary undertaking of the Company; or
  - (ii) otherwise associated with the Company or any such subsidiary undertaking,
- or of the predecessors in business of the Company or of any such subsidiary undertaking or associate and to the families and other relatives or dependants of any such person. For that purpose the directors may establish and maintain or participate in or contribute to any trust, scheme, association, arrangement or fund or pay premiums.

### **ALTERNATE DIRECTORS**

65. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
66. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director but shall be entitled to be repaid expenses in accordance with article 63. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
67. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but if a director retires by rotation or otherwise but is reappointed or is deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.

68. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making the appointment or removal or in any other manner approved by the directors and shall be effective on receipt of such notice by the Company which shall, in the case of a notice contained in an instrument, be at the office or the meeting of directors or, in the case of a notice contained in an electronic communication, be at such address (if any) for the time being notified by or on behalf of the Company for the purpose.
69. Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall be subject in all respects to these Articles relating to directors and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

### **POWERS AND DUTIES OF DIRECTORS**

70. Subject to the provisions of the Act and these Articles (including Article 73A below) and to any directions given by a special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company and do on behalf of the Company all such acts as may be exercised and done by the Company and are not by the Act or by these Articles required to be exercised or done by the Members in general meeting. No alteration of 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 regulation 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.
71. The directors may at their own discretion and upon such terms in all respects as they think fit raise or borrow money for the purposes of the Company's business and may mortgage or charge the whole or any part of the undertaking, assets and property of the Company (present or future); and may, subject to and in accordance with the Statutes, issue debentures, debenture stock, mortgages or other securities whether outright or as collateral, security for any guarantee, debt, liability or obligation of the Company or any third party.
72. The directors may regulate the general expenses of the Company and fix the salaries and emoluments of all officers and employees, having regard to the recommendations of the committee of management and/or the chief executive (from time to time, if any).
73. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the directors (or any duly authorised committee of the directors) shall from time to time determine.
- 73A. Without prejudice to the generality of article 1(e), the exercise of any powers and, as the case may be, performance of any duties of the directors set out in these Articles shall be subject to any restrictions on such powers and the obligations and duties as are set out in the CRM Directive Regulations and shall be in compliance with and subject to any general policy or other such document as may be adopted by the Members in general assembly pursuant to the requirements of the CRM Directive Regulations and in exercising such powers and duties the directors shall not be required or obliged to do so in any manner that would cause the Company to be in breach of the CRM Directive Regulations.

- 73B. The supervisory function as required under the CRM Directive Regulations (the “Supervisory Function”) shall be carried out by the non-executive directors of the Company and such persons shall report on the exercise of their powers in that regard to a general meeting at least once a year.
- 73C. The following matters are delegated from the Members to the persons exercising the Supervisory Function (in accordance with the CRM Directive Regulations):
- (i) the Company’s risk management policy;
  - (ii) the approval of any acquisition, sale or hypothecation of immovable property by the Company;
  - (iii) the approval of mergers and alliances involving the Company, the setting-up of subsidiaries by the Company, and the acquisition by the Company of other entities or shares or rights in other entities; and
  - (iv) the approval of the Company taking out loans, granting loans or providing security for loans.

### **DIRECTORS’ INTERESTS**

74. (i) Save as otherwise provided by these Articles, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement with the Company or a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors in accordance with article 74(ii).
- (ii) A director shall declare the nature and extent of his interest:
- (a) in respect of a transaction or arrangement that has been entered into by the Company, as soon as reasonably practicable; and
  - (b) in respect of a proposed transaction or arrangement with the Company, before the Company enters into such transaction or arrangement.
- Such declaration shall be made to the other directors:
- (aa) at a meeting of the VPL Board;
  - (bb) by notice in writing; or
  - (cc) by way of general notice given at a meeting of the VPL Board to the effect that the director has an interest in a specified body corporate or is connected with a specified person and is to be regarded as interested in any transaction or arrangement that may be made with the specified body corporate or person.
- (iii) A declaration of interest is not required in accordance with article 75(i):
- (a) if the director is not aware of the interest or the relevant transaction or arrangement;
  - (b) if the interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) to the extent that the other directors are already aware of the interest.
- (iv) Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter

in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless the remaining directors at such meeting authorise, on such terms and subject to such limits or conditions, if any, as they may determine, the conflict and allow the relevant director to so vote or his interests or duty arise only because the case falls within one or more of the following paragraphs:-

- (a) any arrangement for giving any director any guarantee, security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company; or
- (b) any arrangement for the giving by the Company of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the granting of a security; or
- (c) any contract by a director to subscribe for or underwrite shares or debentures of the Company; or
- (d) any contract or arrangement with any other company in which he is interested (directly or indirectly) only as an officer of the Company or as holder of shares or other securities; or
- (e) any contract or arrangement for Company Officers' liability assurance to be purchased and/or maintained pursuant to article 124.

For the purposes of this article, an interest of a person who is connected with a director (within the meaning of section 252 of the Act) shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

- (iii) A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the directors may determine and no director or intending director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way interested, be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relation thereby established.
- (iv) Any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorise a director or his firm to act as auditor to the Company.
- (v) A director, notwithstanding his interest, shall be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote but may be excluded by resolution of the remaining directors present at the meeting during that part of the meeting as relates to the relevant resolution.

- (vi) Subject to the Act, and the CRM Directive Regulations, the Company may by ordinary resolution in general meeting suspend or relax to any extent, either generally or in respect of any particular matter, contract, arrangement or transaction, any provision of these Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

75. The office of director shall be vacated by a director: -
- (i) if he becomes bankrupt or he makes any arrangement or composition with his creditors generally or shall apply to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that act; or
  - (ii) if he is, or may be, suffering from mental disorder and/or either he is admitted to hospital for treatment, or an order is made by a court (whether in the United Kingdom or elsewhere) having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs and, in either case, the directors resolve that his office be vacated; or
  - (iii) if by notice in writing to the Company he resigns his office, in which case he shall vacate that office on the delivery of that notice to the Company or at such later times as specified in that notice;
  - (iv) if he is removed or prohibited from being a director under any provision of law; or
  - (v) if he is removed from office by notice in an instrument given to him and executed by not less than three quarters of his co-directors (or their alternates), but so that in the case of a director holding an executive office which automatically determines on his ceasing to be a director such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages in respect of the consequent termination of his executive office.
76. The Company may by ordinary resolution remove any director before the expiration of his period of office, and may by an ordinary resolution appoint a person qualified in his stead; but any person so appointed shall be subject to re-election in accordance with article 79.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

77. At each annual general meeting, one third of the directors for the time being shall retire from office. If the number of directors for the time being is not three or a multiple of three, the number nearest to but not exceeding one third shall retire from office. A retiring director shall retain his office until the dissolution or adjournment of the meeting at which his successor is elected or it is determined not to fill his place.
78. The directors to retire shall be those directors who have been longest in office since their last election or appointment. The length of time a director has been in office shall be computed from his last election or appointment. As between directors of equal seniority, the directors to retire shall in the absence of agreement be selected from them by lot. Any retiring director shall be eligible for re-election at the meeting at which he retires.

79. The Company shall, at the meeting at which a director retires in the manner aforesaid, fill up the vacated office by election, unless at such meeting it shall be determined either not to fill the vacant office or else to reduce the number of directors.
80. No person other than a director retiring by rotation at the meeting shall, unless recommended by the directors for election, be eligible for election to the office of director at any general meeting, unless nominated in writing by one or more Members and approved by the directors within the prescribed time before the day appointed for the meeting. Such nomination must be accompanied by notice in writing, signed by the person to be proposed, of his willingness to be elected together with evidence of his suitability for the office of director. Such nomination and such prescribed time shall be not less than seven clear days before the day appointed for the meeting.

### **APPOINTMENTS BY DIRECTORS**

81. The directors may from time to time appoint a chief executive and/or a committee of management to conduct the general business of the Company for such a term and at such remuneration as they think fit and may from time to time decide, and may delegate to such chief executive and/or committee of management, all or such of their administrative powers as they may deem necessary for the full and proper conduct and administration of the affairs of the Company. The person or persons appointed by the directors as such chief executive or as members of such committee of management shall not necessarily be a Member or Members of the Company. Subject to the provisions of any contract of service that may be entered into between the directors and such person or persons, the directors may from time to time remove such person or persons, or any of them, and appoint some other person or persons in his or their place.
82. The directors may appoint one or more directors to hold any executive office (including managing director) on such terms and for such period (subject to the Statutes) as it may determine and may at any time revoke or terminate any such appointment, without prejudice to any claim under any contract entered into in any particular case.
83. The appointment of any director to any executive office shall automatically determine if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.
84. The directors may entrust to and confer upon any director any of their powers, authorities and discretions (with power to sub-delegate) on 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 revoke, withdraw or vary all or any of such powers.
85. Without limiting article 84, the directors may delegate any of their powers, authorities or discretions to a committee. Any such committee shall, unless the directors otherwise resolve, have power to sub-delegate to any sub-committees any of the powers or discretions delegated to it. Any such committee or sub-committee shall consist of one or more of the directors and (if thought fit, and subject to article 86) one or more other persons co-opted to the committee. Any such delegation shall be made on such terms and conditions as the directors think fit, and may be revoked or altered.
86. Any committee or sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations which may be imposed on it by the directors. Any such regulations may provide for, or authorise, the co-option to the committee or sub-committee of persons other than directors and for such co-opted members to have voting rights as members of the committee or sub-committee provided that no resolution



of the committee shall be effective unless a majority of the voting members of the committee present at the meeting are directors or alternates of directors.

87. The meetings and proceedings of any such committee with two or more members shall be governed by any regulations made by the directors under article 86 and (subject to any such regulations) the provisions of these Articles regulating the meetings and proceedings of the directors so far as the same are applicable.

### **PROCEEDINGS OF DIRECTORS**

88. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. A meeting of the directors will not be quorate unless at least four non-executive directors, being directors who do not devote all or a substantial part of their time to the day to day running of the Company, or their duly appointed alternates, are present. An alternate director shall be counted in the quorum. Questions arising at any meeting shall be decided by a majority of directors on a show of hands.
89. Notice of a meeting of directors shall be deemed to be properly given to a director if it is given to him personally or by word of mouth or sent by instrument to him at his last known address or any other address given by him to the Company for this purpose or given in electronic form to such address (if any) for the time being notified by him or on his behalf to the Company for that purpose. A director absent or intending to be absent from the United Kingdom may request that notices of meetings of directors shall, during his absence, be sent by instrument or in electronic form to him at an address given by him to the Company for this purpose but, in the absence of any such request, it shall not be necessary to give notice of a meeting of directors to any director for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively.
90. A meeting of the directors may consist of a conference between directors who are not all in one place, provided that each director who participates is able, directly or by telephonic or other communication (whether in use when these Articles are adopted or developed subsequently), to speak to each of the others and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, at the place from where the Chairman participates.
91. On the request of a director the Secretary shall, at any time, summon a meeting of the directors. The directors may at their discretion by majority resolution invite whomsoever they wish to attend meetings of directors.
92. A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles for the time being vested in the directors generally.
93. All acts done by a meeting of the directors or of any committee or by a person acting as a director or a member of a committee shall, as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment or continuance in office of any member of the board or committee or person so acting, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified to

be, and had continued to be, a director or member of the committee and had been entitled to vote.

94. The directors shall cause proper minutes to be made of the proceedings of all meetings of the Company and of the directors and of a committee of management and of any other committee appointed by the directors, and all business transacted at such meetings, and any minutes of any such meeting, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.
95. A resolution in writing, executed by all the directors entitled to notice of and to vote at a meeting of the directors (provided that their number is sufficient to constitute a quorum) shall be as valid and effective as a resolution passed at a meeting of directors duly convened and held. For this purpose:
- (i) a resolution may be by means of an instrument or in electronic form sent to such address (if any) for the time being notified by the Company for that purpose;
  - (ii) a resolution may consist of several instruments or documents in electronic form, each executed by one or more directors, or a combination of both
  - (iii) a resolution executed by an alternate director need not also be executed by his appointor; and
  - (iv) a resolution executed by a director who has appointed an alternate director need not also be executed by the alternate director in that capacity.

#### **SECRETARY**

96. The Secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed shall be removable by them at any time. The directors may from time to time, by resolution, appoint a temporary substitute for the Secretary or two or more persons or joint secretaries and one or more deputy and/or assistant secretaries and any person so appointed shall for all the purposes of these Articles, be deemed during the term of his appointment to be the Secretary.

#### **AUDITORS**

- 96A. The Company's auditors will not automatically be deemed to be reappointed at the end of their term of office, but will have to be appointed by ordinary resolution of the Company at an annual general meeting of the Company or as otherwise required under the CRM Directive Regulations.

#### **THE SEAL**

97. The directors shall provide for the safe custody of the Seal, which shall only be used with the authority of the directors or of a committee of the directors authorised by the directors, and every instrument to which the Seal shall be affixed shall be signed by a director and shall be countersigned by the Secretary or by a second director, or some other person appointed by the directors or a committee of the directors for the purpose. A document signed, with the authority of the directors or a committee of the directors, by a director and Secretary or by two directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal.

## **DISTRIBUTION**

98. All monies received by the Company shall be applied in the discharge of the expenses of the Company or as otherwise provided for in these Articles and the balance remaining shall subject to article 99 be distributed amongst the Members and any other persons so entitled in such shares and proportions as the directors may from time to time determine, acting at all times in accordance with any policies as are agreed by the Members in general meeting pursuant to the requirements of the CRM Directive Regulations.
99. The directors may before recommending any distribution as aforesaid set aside out of the receipts such sums as they think proper as a reserve fund to meet contingencies, or for future distribution, or for repairing, improving and maintaining any of the property or premises of the Company, or for such other purposes as the directors shall in their absolute discretion think necessary or conducive to the interests of the Company, and may invest the sums so set aside upon such investments as they may think fit and from time to time deal with or vary such investments and dispose of all or any part for the benefit of the Company and divide the reserve fund into such special funds as they think fit, and employ the reserve fund or any part thereof for the general purposes of the Company, and that without being bound to keep the same separate from the other assets.

## **ACCOUNTS**

100. The directors shall cause proper books of account to be kept with respect to: -
- (a) the assets and liabilities of the Company;
  - (b) the sums of money received, expended and distributed by the Company and the matters in respect of which such receipts, expenditures and distribution take place.
101. The books of account shall be kept at the registered office of the Company, or at such other place or places as the directors shall think fit, and shall always be open to the inspection of the Company's officers.
102. No Member (not being a director) shall have the right to inspect any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the directors.
103. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall be sent to every Member not less than fourteen clear days before the date of the meeting.

## **NOTICES**

104. Any notice to be given to or by any person under these Articles (other than a notice calling a meeting of the directors) shall be in writing, except where otherwise expressly stated. Any such notice may be in electronic form to a person who has agreed that the notice may be sent or supplied in that form and has notified the person sending the notice of an address for that purpose and in the case of communications between the Company and the Members, in accordance with the following articles 105 - 111.

105. The Company shall give any notice or other document (the “Document”) under these Articles to a Member by whichever of the following methods it may in its absolute discretion determine:
- (i) personally; or
  - (ii) by posting the Document in a prepaid envelope addressed, in the case of a Member, to his registered address, or to another address notified for that purpose; or
  - (iii) by leaving the Document at that address; or
  - (iv) by sending the Document in electronic form to a Member who has agreed (generally or specifically) that the Document may be sent or supplied in that form (and has not revoked that agreement) and has notified the Company of an address for the purpose; or
  - (v) in accordance with article 106; or
  - (vi) by any other method approved by the directors from time to time.
106. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which Documents may be given to him or an address to which Documents may be sent in electronic form (having previously agreed to receive the Document in electronic form) shall be entitled to receive Documents from the Company at that address, but, unless he does so, shall not be entitled to receive any Document from the Company. Without limiting the previous sentence, any notice of a general meeting of the Company which is in fact sent or purports to be sent to such address shall be ignored for the purposes of determining the validity of proceedings at such meeting.
107. Subject to the Statutes, the Company may also give any Document under these Articles to a Member by publishing that Document on a website where:
- (i) the Member has agreed (generally or specifically) that the Document may be sent or supplied to him in that manner or the Member is deemed to have so agreed as he failed to respond to an individual request from the Company to send Documents in that manner within 28 days of the date on which the Company's request was sent;
  - (ii) the Document is one to which that agreement applies;
  - (iii) the Member is notified, in a manner for the time being agreed between him and the Company for the purpose, of:
    - (a) the presence of the Document on a website;
    - (b) the address of that website; and
    - (c) the place on that website where the Document may be accessed; and
    - (d) how to access the Document; and
  - (iv) the Document is available on that website throughout the Publication Period (as defined below), provided that, if the Document is published on that website for a part, but not all of, such period, the Document shall be treated as being published throughout that period if the failure to make it available throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.
108. In article 107, “Publication Period” means:
- (i) the period specified by any applicable provision of the Act or of these Articles; or

- (ii) if no such period is specified, a period of not less than 28 days, beginning on the day on which the notification referred to in article 111(iii) is sent to the Member in question.
109. The directors may from time to time issue, endorse or adopt terms and conditions relating to the use of electronic means for the giving of Documents and proxy appointments by the Company to Members and by Members to the Company.
110. Proof that an envelope containing a Document was properly addressed, prepaid and posted shall be conclusive evidence that the Document was given. Proof that a Document contained in electronic form was sent or given in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators current at the date of adoption of these Articles, or, if the directors so resolve, any subsequent guidance so issued, shall be conclusive evidence that the Document was sent or given. A Document sent by the Company to a Member by post shall be deemed to be given or delivered:
- (i) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, on the day following that on which the envelope containing it was posted;
  - (ii) if sent by airmail from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country (including without limitation an address in the United Kingdom), on the third day following that on which the envelope containing it was posted;
  - (iii) in any other case, on the second day following that on which the envelope containing it was posted.
111. A Document sent by the Company to a Member in electronic form shall be deemed given to the Member on the day following that on which it was sent to the Member. Such a Document shall be deemed given by the Company to the Member on that day notwithstanding that the Company becomes aware that the Member has failed to receive the relevant Document for any reason and notwithstanding that the Company subsequently sends a copy of such Document by post to the Member.
112. Unless otherwise provided by these Articles, a Member shall give any Document under these Articles to the Company by whichever of the following methods he may in his absolute discretion determine:
- (i) by posting the Document in a prepaid envelope addressed to the registered office of the Company (the "Office"); or
  - (ii) by leaving the Document at the Office; or
  - (iii) by sending the Document in electronic form to such address (if any) for the time being notified by or on behalf of the Company for that purpose.
113. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one leading national daily newspaper and such notice shall be deemed to have been given to all Members and other persons entitled to receive it on the day when the advertisement appears (or first appears). In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

114. A Member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
115. Except when the subject or context otherwise requires, in articles 106, 107, 110, 111 and 113 references to a notice include without limitation references to any notification required by the Statutes or these Articles in relation to the publication of any Documents on a website.
116. Nothing in these Articles shall affect any requirement of the Statutes that any particular offer, notice or other document be served in any particular manner.
117. For the purposes of giving notices of meetings or other documents, whether under these Articles or under section 310 of the Act, any other Statute or any other statutory instrument, the Company may determine that persons entitled to receive such notices or other documents are those persons entered on the Register at the close of business on a day determined by it.
118. The day determined by the Company under article 117 may not be more than 15 days before the day that the notice of the meeting or other document is sent.
119. For the purposes of determining which persons are entitled to attend and/or vote at a meeting, and how many votes such persons may cast, the Company may specify in the notice of the meeting a time, not more than 48 hours before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend and/or vote at the meeting.
120. A notice may be given by the Company to the persons entitled to apply for membership in consequence of the death bankruptcy or an order made by reason of a mental disorder of a Member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a Member addressed to him by name, or by the title of representatives of the deceased or trustee of the bankrupt or receiver or curator bonis of the Member or any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death, bankruptcy or order made by reason of mental disorder had not occurred or been made.

#### **INDEMNITY**

121. Subject to the provisions of and so far as may be consistent with the Statutes, every director or other officer of the Company shall be indemnified out of the funds of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings (whether civil or criminal) which relate to anything done or omitted or alleged to have been done or omitted by him as an officer of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

## **INSURANCE**

122. Without prejudice to article 121, the directors shall have the power to purchase and maintain insurance for or for the benefit of any person who is or was at any time:
- (i) a director or other officer of any Relevant Company (as defined in article 123 below) or
  - (ii) a trustee of any pension fund or retirement, death or disability scheme for the benefit of any employee of any Relevant Company or employees' share scheme in which employees of any Relevant Company are interested,
- including (without limitation) insurance against any liability within article 121 incurred by him in relation to any Relevant Company, or any such pension fund, retirement or other scheme or employees' share scheme.
123. For these purposes "Relevant Company" shall mean the Company or any other undertaking which is or was at some time:
- (i) a subsidiary undertaking of the Company; or
  - (ii) otherwise associated with the Company or any such subsidiary undertaking or the predecessors in business of the Company or of any such subsidiary undertaking or associate.

## **WINDING UP**

124. Every Member undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he is a Member or within one year afterwards for the payment of the debts and liabilities of the Company contracted before the time at which he ceases to be a Member and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding £1.
125. If upon the winding up or dissolution of the Company there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall be paid to or distributed amongst the Members of the Company as at the time of such winding up or dissolution.

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