

Company No. 5126412

The Companies Acts 1985 to 1989

Company Limited by Guarantee  
and not having a Share Capital

**MEMORANDUM OF ASSOCIATION**

of

**THE BROADCAST COMMITTEE OF ADVERTISING PRACTICE LIMITED**

Incorporated on 12 May 2004

The Companies Acts 1985 to 1989

Company Limited by Guarantee  
and not having a Share Capital

**MEMORANDUM OF ASSOCIATION**

of

**THE BROADCAST COMMITTEE OF ADVERTISING PRACTICE LIMITED**

1. The name of the Company is "The Broadcast Committee of Advertising Practice Limited".
2. The registered office of the Company will be situate in England.
3. The objects for which the Company is established are:
  - (A) to set, review and from time to time revise codes (the "Code(s)") containing standards and principles regulating broadcast marketing communications in the United Kingdom to the extent that such powers are delegated to the Company by the Office of Communications ("OFCOM") under Part 2 of the Deregulation and Contracting Out Act 1994; to assist the broadcast marketing communications self-regulatory system to operate in the public and in the industry's interest; to produce and disseminate general information and compliance documentation to the broadcast marketing communications industry in order to encourage adherence to the Code(s); to co-ordinate the action required by members of the Company to secure compliance with the Code(s); to give advice, information, training and support on all matters (except copy clearance) relating to broadcast marketing communications self-regulation and the other activities specified in the remainder of this paragraph (A); and generally to support the maintenance and preservation of broadcast marketing communication standards in the United Kingdom and the European Union, the monitoring of broadcast marketing communications; the provision of information and the carrying out of research in connection with broadcast marketing communication standards; and to carry out all forms of liaison with central and local government departments in the United Kingdom and the relevant bodies within the institutions of the European Union, consumer organisations, educational bodies, trade associations and with any other relevant organisations in pursuance of the objects of the Company;  
  
and for the purposes of this paragraph (A) the term "broadcast" shall mean "on television, radio and text services licensed by OFCOM under the Broadcasting Acts 1990 and 1996";
  - (B) to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company;
  - (C) to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient with a view to the promotion of its objects;
  - (D) to undertake and execute any trusts which may lawfully be undertaken by the Company and may be conducive to its objects;

- (E) to borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit;
- (F) to invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
- (G) to establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Company or calculated to further its objects; and
- (H) to do all such other things as are incidental or conducive to the attainment of the above objects or any of them

provided that the Company shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others any regulation, restriction or condition which if an object of the Company would make it a trade union or employers' association as those terms are defined in the Trade Union and Labour Relations (Consolidation) Act 1992.

4. The income and property of the Company, whencesoever derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Company. Provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Company, or to any member of the Company, in return for any services actually rendered to the Company, nor prevent the payment of interest at a reasonable and proper rate on money lent or reasonable and proper rent for premises demised or let by any member of the Company.
5. The liability of the members is limited.
6. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.
7. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of clause 4 hereof, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.

WE, the subscribers to this Memorandum of Association, wish to be formed into a company pursuant to this memorandum.

#### NAMES AND ADDRESSES OF SUBSCRIBERS

Peter Shea.....

**British Sky Broadcasting Limited** (company number 2906991) whose registered office is 6 Centaur Business Park, Grant Way, Isleworth, Middlesex TW7 5QD, herein represented by PETER SHEA, duly authorised to sign this document on behalf of the company

Hugh Johnson.....

**Channel Four Television Corporation** whose principal offices are 124 Horseferry Road, London SW1P 2TX, herein represented by HUGH JOHNSON, duly authorised to sign this document on behalf of the company

Stephen Duncan.....

**Channel 5 Broadcasting Limited** (company number 3147640) whose registered office is 22 Long Acre, London WC2E 9LY, herein represented by STEPHEN DUNCAN, duly authorised to sign this document on behalf of the company

Raymond Blaney.....

**Flextech Limited** (company number 2688411) whose registered office is Export House, Cawsey Way, Woking, Surrey GU21 6QX, herein represented by RAYMOND BLANEY, duly authorised to sign this document on behalf of the company

Clive Crouch.....

**GMTV Limited** (company number 2578005) whose registered office is The London Television Centre, Upper Ground, London SE1 9TT, herein represented by CLIVE CROUCH, duly authorised to sign this document on behalf of the company

Malcolm Earnshaw.....

**Incorporated Society of British Advertisers Limited** (company number 68497) whose registered office is 44 Hertford Street, London W1J 7AE, herein represented by MALCOLM EARNSHAW, duly authorised to sign this document on behalf of the company

Mick Desmond.....

**ITV Network Limited** (company number 603893) whose registered office is 200 Gray's Inn Road, London WC1X 8HF, herein represented by MICK DESMOND, duly authorised to sign this document on behalf of the company

Hugh Geach

**BTSA** (company number 4583286) whose registered office is 167 Imperial Drive, Harrow, Middlesex HA2 7JP, herein represented by HUGH GEACH, duly authorised to sign this document on behalf of the company

Jefferson Scott

**Teletext Limited** (company number 2694814) whose registered office is Third Floor, Building 10, Chiswick Park, 566 Chiswick High Road, London W4 5TS, herein represented by JEFFERSON SCOTT, duly authorised to sign this document on behalf of the company

Andrew Brown

**The Advertising Association** (company number 211587) whose registered office is Abford House, 15 Wilton Road, London SW1V 1NJ, herein represented by ANDREW BROWN, duly authorised to sign this document on behalf of the company

Paul Brown

**The Commercial Radio Companies Association Limited** (company number 1120214) whose registered office is The Radio Centre, 77 Shaftsbury Avenue, London W1D 5DU, herein represented by PAUL BROWN, duly authorised to sign this document on behalf of the company

Caroline Roberts

**The Direct Marketing Association (UK) Limited** (company number 2667995) whose registered office is DMA House, 70 Margaret Street, London W1W 8SS, herein represented by CAROLINE ROBERTS, duly authorised to sign this document on behalf of the company

Hamish Pringle

**The Institute of Practitioners in Advertising** (company number 221167) whose registered office is 44 Belgrave Square, London SW1X 8QS, herein represented by HAMISH PRINGLE, duly authorised to sign this document on behalf of the company

Paul Curtis

**The Satellite & Cable Broadcasters' Group** (company number 5060679) whose registered office is 21 Southwick Mews, London W2 1JG, herein represented by PAUL CURTIS, duly authorised to sign this document on behalf of the company

Dated this 11 May 2004

Witness to the above Signatures

John Wilkinson

Name: JOHN WILKINSON

Address: 90 Fetter Lane, London EC4 1PT

Company number 5126412

The Companies Acts 1985 to 1989

Company Limited by Guarantee  
and not having a Share Capital

**ARTICLES OF ASSOCIATION**

of

**THE BROADCAST COMMITTEE OF ADVERTISING PRACTICE LIMITED**

Incorporated 12 May 2004

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The Companies Acts 1985 to 1989

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**ARTICLES OF ASSOCIATION**

of

**THE BROADCAST COMMITTEE OF ADVERTISING PRACTICE LIMITED**

**INTERPRETATION**

1 In these Articles:

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

**Articles** means the articles of association of the company

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

**communication** means the same as in the Electronic Communications Act 2000

**electronic communication** means the same as in the Electronic Communications Act 2000

**executed** includes any mode of execution

**office** means the registered office of the company

**seal** means the common seal of the company

**secretary** means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary



**United Kingdom** means Great Britain and Northern Ireland.

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

### **MEMBERSHIP**

- 2 The subscribers to the memorandum of association of the company and such other persons as are admitted to membership in accordance with the Articles shall be members of the company. No person (other than the subscribers to the memorandum of association) shall be admitted as a member unless he is approved by a special or a written resolution of the members. Every person (other than the subscribers to the memorandum of association of the company) who wishes to become a member shall deliver to the company an application for membership, in such form as the directors require, executed by him. The directors shall (as and when they consider it appropriate to do so) review the membership of the company from time to time and make such recommendations regarding membership changes as the directors believe to be appropriate, which recommendations the members shall consider in good faith having regard to the best future interests of the company.
- 3 Each of ITV Network Limited and the Incorporated Society of British Advertisers who is at any time a member shall have three votes (both on a show of hands and on a poll) at any general meeting of the company and for any other purpose where a decision of the members depends on the number of votes cast. Each of The Institute of Practitioners in Advertising and The Commercial Radio Companies Association Limited which is at any time a member shall have two votes (both on a show of hands and on a poll) at any general meeting of the company and for any other purpose where a decision of the members depends on the number of votes cast. Every other member shall have one vote (both on a show of hands and on a poll) at any general meeting of the company and for any other purpose where a decision of the members depends on the number of votes cast.
- 4 The members shall have power at any time and from time to time by special or written resolution to admit additional persons as members.
- 5 Any member may terminate his membership by giving not less than six months' prior written notice to the directors in which event his membership shall terminate on the expiry of the notice.
- 6 The directors may expel any member who by any act or omission in their opinion is likely to bring the company into disrepute or who is guilty of any disgraceful, scandalous or dishonourable conduct or any breach of the Articles which causes or, in the bona fide opinion of the directors, is likely to cause material damage to the company which makes it contrary to the interests of the company that he should remain a member. Before doing so, the directors shall give the member not less than twenty one clear days' written notice of the complaint against him, together with a written invitation to attend and speak at the meeting at which the expulsion is considered. The company shall circulate to all directors any written statement of a reasonable length that, at least four days before the date of the meeting, the member submits for such circulation.

### **GENERAL MEETINGS**

- 7 All general meetings other than annual general meetings shall be called extraordinary general meetings. All resolutions to be passed at a general meeting are required to be passed as special resolutions with the exception only of a resolution for the removal of a director which is required to be passed as an ordinary resolution.
- 8 The directors may call general meetings and on the proper requisition of members pursuant to the provisions of the Act, shall proceed to convene an extraordinary general meeting in

accordance with the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.

### **NOTICE OF GENERAL MEETINGS**

- 9 An annual general meeting and an extraordinary general meeting called for the passing of any special resolution or a resolution removing a person as a director shall be called by at least 21 clear days' notice but a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95 per cent of the total voting rights of the meeting of all the members.

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

- 10 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**

- 11 No business shall be transacted at any meeting unless a quorum is present. Three persons entitled to vote upon the business to be transacted, each being a member or a duly authorised representative of a corporation which is a member, shall be a quorum.
- 12 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.
- 13 The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 14 If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 15 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
- 16 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

17 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

- (a) by the chairman; or
- (b) by at least two members having the right to vote at the meeting; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

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

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

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

21 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to any other vote he may have.

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

23 No notice need to be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.

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

#### **VOTES OF MEMBERS**

25 At any meetings of members, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative or proxy, not being himself a member entitled to vote, shall have the number of votes to which that member is entitled pursuant to Article 3 and on a poll every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have the number of votes to which that member is entitled pursuant to Article 3.

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

27 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

The Broadcast Committee of Advertising Practice Limited

I,/We, ♦, of ♦, being a member/members of the above-named company, hereby appoint ♦, of ♦, or failing him, ♦, of ♦ as my/our proxy to vote in my/our names and on my/our behalf at the annual/extraordinary general meeting of the company, to be held on ♦ 20 ♦, and at any adjournment thereof.

Signed on ♦ 20 ♦ .

28 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

The Broadcast Committee of Advertising Practice Limited

I,/We, ♦, of ♦, being a member/members of the above-named company, hereby appoint ♦, of ♦, or failing him, ♦, of ♦, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company, to be held on ♦ 20 ♦, and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 \*for \*against \*abstain

Resolution No. 2 \*for \*against \*abstain

\*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed ♦ 20 ♦ .

29 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

(a) in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

(aa) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:

(i) in the notice convening the meeting; or

- (ii) in any instrument of proxy sent out by the company in relation to the meeting;  
or
- (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,

be received at such address not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid. In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

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

#### **NUMBER OF DIRECTORS**

- 31 Unless otherwise determined by special resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall be not less than four.

#### **ALTERNATE DIRECTORS**

- 32 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.
- 33 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 it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
- 34 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 re-appointed or deemed to have been re-appointed 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.

- 35 Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.
- 36 Save as otherwise provided in the articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

#### **POWERS OF DIRECTORS**

- 37 Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 38 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

#### **DELEGATION OF DIRECTORS' POWERS**

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

#### **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

- 40 Each of ITV Network Limited and Incorporated Society of British Advertisers, as long as the relevant company has not given notice pursuant to Article 5, shall be entitled to nominate for appointment as directors three persons. Each of The Institute of Practitioners in Advertising and The Commercial Radio Companies Association Limited, as long as the relevant company has not given notice pursuant to Article 5, shall be entitled to nominate for appointment as directors two persons. Every other member shall be entitled to nominate for appointment as a director one person. Each such nominee shall take office as director only when and if written notice of such nomination as a director has been deposited by the relevant member at the registered office of the company for the time being together with written confirmation by the nominee concerned that he is willing to act as a director of the company.
- 41 In addition to directors appointed pursuant to Article 40 the directors may appoint other persons who are willing to act to be directors. A director so appointed shall, in addition to the circumstances set out in Article 42, cease to be a director on the passing to that effect of an ordinary resolution of the company or a resolution of the directors for which purpose the director the subject of the proposed resolution to remove him shall not be entitled to vote.
- 42 The office of a director shall be vacated if:
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or

- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either:
  - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
  - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, *curator bonis* or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice to the company; or
- (e) he shall for more than 6 consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated;
- (f) he is removed from office by notice in writing addressed to him at and delivered to his address as shown in the company's register of directors and signed by all other directors; or
- (g) the member who nominated him as a director pursuant to Article 40 either shall cease to be a member or shall notify the company in writing that it withdraws its nomination of that person as a director.

#### **REMUNERATION OF DIRECTORS**

- 43 The directors shall be entitled to such remuneration as the company may by special resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

#### **DIRECTORS' EXPENSES**

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

#### **DIRECTORS' APPOINTMENTS AND INTERESTS**

- 45 Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the company and may enter into an agreement or arrangement with any director for his employment by the company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company.
- 46 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;

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

47 For the purposes of Article 46:

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

#### **DIRECTORS' GRATUITIES AND PENSIONS**

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

#### **PROCEEDINGS OF DIRECTORS**

49 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. All questions arising at a meeting shall be decided by a majority of not less than three fourths of the votes. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote. A director appointed under Article 40 by a member of the company shall, in the absence of another director or directors so appointed by the same member, be entitled (but without increasing the aggregate number of votes which could have been cast if such absent directors had been present) to a separate vote on behalf of each such absent director in addition to his own. The chairman of the board of directors shall not (during the period of his office as chairman) be entitled to vote on any question arising at the meeting unless he was appointed pursuant to Article 40 and remains (at all relevant times) the nominee of the member who appointed him pursuant to Article 40 (in which case he will be entitled to vote but will not, for the avoidance of doubt, be entitled to a second or casting vote).

50 The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be three. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

51 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.



- 52 The directors shall appoint one of their number who has (from time to time) been nominated in writing by Broadcast Advertising Standards Board of Finance Limited to be the chairman of the board of directors and may at any time remove him from that office if and when requested in writing so to do by Broadcast Advertising Standards Board of Finance Limited. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 53 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 54 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
- 55 A director or his alternate director may participate in a meeting of the directors or a committee of the directors through the medium of conference telephone, video conferencing or any other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person participating in this way shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of the directors shall be deemed for the purposes of the Articles to be validly and effectively transacted at a meeting of the directors or a committee of the directors even if one director only is physically present at any one place. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 56 Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the company unless his interest or duty arises only because the case falls within one or more of the following clauses:
- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the company or any of its subsidiaries;
  - (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any debentures of the company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures by the company or any of its subsidiaries for subscription, purchase or exchange;
  - (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.

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

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

58 The company may by special resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

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

60 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

61 The directors may (as they think fit from time to time) invite representatives of other companies, associations and/or industry bodies to attend and/or observe and/or participate in discussions at meetings of directors PROVIDED THAT such representatives shall not (for the avoidance of doubt) have any voting rights at such meetings.

#### **SECRETARY**

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

#### **MINUTES**

63 The directors shall cause minutes to be made in books kept for the purpose:

- (a) all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the company members and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

#### **THE SEAL**

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

#### **ACCOUNTS**

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

## NOTICES

- 66 Any notice to be given to or by any person pursuant to the articles shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this regulation, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 67 The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the company by the member. 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 notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company. In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 68 A member present, either in person or by proxy, 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.
- 69 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

## INDEMNITY

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

## NAMES AND ADDRESSES OF SUBSCRIBERS

Peter Shea .....

**British Sky Broadcasting Limited** (company number 2906991) whose registered office is 6 Centaur Business Park, Grant Way, Isleworth, Middlesex TW7 5QD, herein represented by PETER SHEA, duly authorised to sign this document on behalf of the company

Hugh Johnson .....

**Channel Four Television Corporation** whose principal offices are 124 Horseferry Road, London SW1P 2TX, herein represented by HUGH JOHNSON, duly authorised to sign this document on behalf of the company

Stephen Duncan .....

**Channel 5 Broadcasting Limited** (company number 3147640) whose registered office is 22 Long Acre, London WC2E 9LY, herein represented by STEPHEN DUNCAN, duly authorised to sign this document on behalf of the company

Raymond Blaney .....

**Flextech Limited** (company number 2688411) whose registered office is Export House, Cawsey Way, Woking, Surrey GU21 6QX, herein represented by RAYMOND BLANEY, duly authorised to sign this document on behalf of the company

Clive Crouch .....

**GMTV Limited** (company number 2578005) whose registered office is The London Television Centre, Upper Ground, London SE1 9TT, herein represented by CLIVE CROUCH, duly authorised to sign this document on behalf of the company

Malcolm Earnshaw .....

**Incorporated Society of British Advertisers Limited** (company number 68497) whose registered office is 44 Hertford Street, London W1J 7AE, herein represented by MALCOLM EARNSHAW, duly authorised to sign this document on behalf of the company

Mick Desmond

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Hugh Geach

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Jefferson Scott

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Andrew Brown

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**The Advertising Association** (company number 211587) whose registered office is Abford House, 15 Wilton Road, London SW1V 1NJ, herein represented by ANDREW BROWN, duly authorised to sign this document on behalf of the company

Paul Brown

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**The Commercial Radio Companies Association Limited** (company number 1120214) whose registered office is The Radio Centre, 77 Shaftsbury Avenue, London W1D 5DU, herein represented by PAUL BROWN, duly authorised to sign this document on behalf of the company

Caroline Roberts

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Hamish Pringle

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Paul Curtis

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**The Satellite & Cable Broadcasters' Group** (company number 5060679) whose registered office is 21 Southwick Mews, London W2 1JG, herein represented by PAUL CURTIS, duly authorised to sign this document on behalf of the company

Dated this 11 May 2004

Witness to the above Signatures

John Wilkinson

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Name: JOHN WILKINSON

Address: 90 Fetter Lane, London EC4A 1PT