

---

COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

---

**MEMORANDUM AND ARTICLES OF ASSOCIATION**  
**OF**  
**BRITISH HORSERACING AUTHORITY LIMITED**

Registered Number: 2813358

---

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

---

**MEMORANDUM OF ASSOCIATION  
OF  
BRITISH HORSERACING AUTHORITY LIMITED**

(as altered by special resolution passed on 30 July 2007 and with effect from 31 July 2007, and by special resolution passed on 30 June 2010 and with effect from 30 June 2010)

---

1. The Company's name is "British Horseracing Authority Limited".
2. The Company's registered office is to be situated in England and Wales.
3. The Company's objects are:-
  - (1) To be the governing, administrative and regulatory authority for the sport and industry of horseracing in Great Britain and to govern, regulate, promote, administer and organise horseracing in Great Britain in every way in which the Company shall think necessary or desirable.
  - (2) To consider and consult with others in Great Britain and elsewhere on all questions affecting horseracing and any aspects thereof and to advise and communicate views and recommendations to others and in particular to any domestic or international statutory, regulatory or representative bodies having responsibility or jurisdiction for matters affecting horseracing in Great Britain or elsewhere.
  - (3) To manage and administer the financing and funding of the governance, regulation, promotion, administration and organisation of horseracing in Great Britain.
  - (4) To formulate and approve and administer and co-ordinate the fixture policy for race meetings (including programme content) and the dates upon which individual racecourses may from time to time hold race meetings under the Rules of Racing and to compile and vary in accordance with the Rules of Racing (by suspension, transfer or cancellation) an annual list of such fixtures.
  - (5) To encourage and improve the breeding of bloodstock, whether by the provision of races or otherwise.
  - (6) To be responsible for the development, co-ordination and maintenance of programmes of recruitment, retention, training and education within the horseracing industry.

- (7) To be responsible for the regulatory matters in relation to the sport and industry of horseracing in Great Britain including taking all such steps regarding such regulatory matters as may be necessary or advisable:
  - (A) to seek to enhance public confidence in the integrity of the sport;
  - (B) to encourage policies and to take steps which improve the safety and welfare of participants;
  - (C) to encourage policies and to take steps to improve the safety and welfare of horses; and
  - (D) to encourage the improvement of industry standards through education, training and qualifications for licensed personnel through appropriate and effective training provision.
- (8) To maintain public support of, and investment by, key customer groups in horseracing and breeding by safeguarding and promoting horseracing's public image in Great Britain and abroad.
- (9) To make, print, publish, adopt and alter the Rules of Racing and other rules, regulations, advices, instructions (whether general or otherwise) and directions for the proper conduct and regulation of practice and procedure of horseracing, race meetings and racehorse training and to take all necessary steps for the communication and enforcement thereof.
- (10) To be responsible for the licensing of racecourses, including their managing executives and other personnel, where appropriate.
- (11) To be responsible for the licensing and/or registration of any persons including but not limited to racehorse owners, agents (including jockey's agents), trainers, riders, valets and stable staff.
- (12) To establish, provide, promote, develop and enforce appropriate systems as may be deemed necessary or desirable from time to time to ensure security and anti-doping measures.
- (13) To design and/or provide advice or assistance in relation to obstacles forming part of any racecourse to be run and any aspect of racecourse layout and design which is relevant to public safety and the safety of persons employed in or engaged in the sport and industry of horseracing in Great Britain and of racehorses taking part in race meetings.
- (14) To be responsible for disciplinary matters in relation to the governance, regulation, promotion, administration or organisation of the sport and industry of horseracing in Great Britain including taking all such steps as may be deemed to be necessary or advisable for preventing infringements of the Rules of Racing or other rules, regulations, advices and directions as the Company may make from time to time, or other improper methods or practices in the sport and industry of horseracing in Great Britain, and for protecting horseracing from abuse.
- (15) To provide a process, by rules, regulations, advices and directions or otherwise and subject to the agreement of the parties to the process, for the decision and settlement of any differences, disagreements or

disputes that may arise between individuals and/or bodies interested in the sport and industry of horseracing in Great Britain, or any persons who are members of or alleged to be members of or are employed or engaged by any such interested bodies, or any other persons in reference to due compliance with the Rules of Racing or otherwise, or in reference to agreements or arrangements, or to any other matter of difference, disagreement or dispute arising between interested individuals and/or bodies, or any of them, and whether the Company is concerned in such difference, disagreement or dispute or not, and to make such provisions for enforcing any award or decision as the Company shall deem proper.

- (16) To initiate and promote improvements in the law and in any local rules, regulations, ordinances or practice directly or indirectly affecting horseracing.
- (17) To be responsible for the regulation of horseraces and race meetings and racecourse medical arrangements for riders and other persons engaged in the sport and industry of horseracing in Great Britain and veterinary arrangements for racehorses.
- (18) To consult and liaise with and enter into any agreement or arrangement which may be deemed necessary or desirable with any individual or entity participating, concerned, engaged in or with an interest in the sport and industry of horseracing in Great Britain including racecourse owners, racehorse owners, thoroughbred breeders, racehorse trainers, riders, stable employees, bookmakers (whether on course, off course or on-line) or of any other person so interested in the sport and industry of horseracing in Great Britain.
- (19) To provide services or facilities of any kind whatsoever which may be necessary, convenient or incidental to the governing, regulatory, promotional, administrative and organisational role of the Company.
- (20) To encourage, provide support and otherwise facilitate the work of others interested in the sport and industry of horseracing in Great Britain.
- (21) To provide advisory services for information and documentation for the use of persons interested in the sport and industry of horseracing in Great Britain.
- (22) To prepare, edit, print, publish, issue, acquire, circulate and distribute in any form of reproduction whatsoever, including electronically and digitally, books, pamphlets, papers, periodicals and other literary material, pictures, prints, photographs, films, sound recordings and mechanical and other models and equipment and establish, form, promote, conduct and maintain public collection displays and exhibitions of literature, databases, statistics, charts, information and other material.
- (23) To promote arrange, organise and conduct seminars, conferences, lectures, meetings and discussions and advertise in such manner as may be thought desirable with a view to promoting the sport and industry of horseracing in Great Britain.

- (24) To provide technical, educational or business material, facilities or services relating in any way to horseracing.
- (25) To co-operate and communicate with persons in other parts of the world engaged in any aspect of horseracing and in particular its governance, regulation, promotion, administration, organisation and financing.
- (26) To solicit, receive and accept financial assistance, donations, endowments, gifts (both inter vivos and testamentary) and loans of or of any interest in money, rents and other property whatsoever real or personal subject or not to any specific trusts or conditions.
- (27) To purchase, dispose of, take on lease, in exchange or on loan, hire or otherwise acquire any real or personal property and any rights or privileges.
- (28) To borrow money, obtain credit and raise finance in any manner.
- (29) To lend money, and grant or provide credit and financial accommodation, to any person.
- (30) To enter into any guarantee, contract of indemnity or suretyship and in particular without prejudice to the generality of the foregoing) guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging, charging, granting a lien or otherwise creating any other security interest over, all or any part of the undertaking, property and assets (present and future) of the Company or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any securities, obligations or liabilities of the Company or any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary of the Company or otherwise associated with the Company.
- (31) To apply for, promote and obtain any Act of Parliament, charter, privilege, concession, licence or authorisation of any government, state, department or other authority (international, national, local, municipal or otherwise) for enabling the Company to carry any of its objects into effect or for any other purpose which may seem expedient and to oppose any actions, steps, proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or of its members.
- (32) To enter into any arrangements with any government, state, department or other authority (international, national, local, municipal or otherwise), or any other person, that may seem conducive to the Company's objects or any of them, and to obtain from any such government, state, department, authority, or person, and to carry out, exercise and exploit, any charter, contract, decree, right, privilege or concession which the Company may think desirable.
- (33) To contribute to, support in any manner as may be deemed desirable including undertaking to execute and perform any charitable trust

affecting any property of any description of the Company whether acquired by gift or otherwise, or subscribe to (out of the funds of the Company or in kind) and to promote or sponsor any public, general, political, charitable, benevolent, or useful object, which the Company considers may directly or indirectly further the interests of the Company, its employees or its members.

- (34) To acquire an interest in, amalgamate or enter into partnership or any similar arrangement with, and co-operate or participate in any way with, and assist or subsidise any person or body with objects similar to any objects of the Company.
- (35) To conduct, promote and commission research and development in connection with any activity or proposed activity of the Company and to apply for, and take out, purchase or otherwise acquire any interest in any copyright, designs, patents, brevets d'invention, trade marks, licences, concessions, know how, confidential information and the like conferring any exclusive or non-exclusive or limited right to use any processes, or other information in relation to horseracing or any part thereof or generally any inventions which may seem to the Company capable of being usefully dealt in and use, exercise, develop, manufacture under or grant licences in respect of or otherwise turn to account any such copyright, designs, patents, brevets d'invention, trade marks, licences, concession, know how, confidential information and the like and information generally.
- (36) To sell, exchange, mortgage, charge, let or rent or otherwise, grant licences, easements, options, servitudes and other rights over, and in any other manner deal with, or dispose of, all or any part of the undertaking, property and assets (present and future) of the Company for any consideration and in particular (without prejudice to the generality of the foregoing) for any securities.
- (37) To invest and deal with the funds of the Company not immediately required for its purposes in any manner and hold and deal with any investment so made.
- (38) To do all or any of the following, namely:
  - (A) to establish, provide, carry on, maintain, manage, support, purchase and contribute (in cash or in kind) to any pension, superannuation, retirement, redundancy, injury, death benefit or insurance funds, trusts, schemes or policies for the benefit of, and to give or procure the giving of pensions, annuities, allowances, gratuities, donations, emoluments, benefits of any description (whether in kind or otherwise), incentives, bonuses, assistance (whether financial or otherwise) and accommodation in such manner and on such terms as the Company thinks fit to, and to make payments for or towards the insurance of:
    - (1) any individuals who are or were at any time in the employment of, or directors or officers of (or held comparable or equivalent office in), or acted as consultants or advisers to or agents for -

- (a) the Company or any company which is or was its parent company or is or was a subsidiary undertaking of the Company or any such parent company; or
    - (b) any person to whose business the Company or any subsidiary undertaking of the Company is, in whole or in part, a successor directly or indirectly; or
    - (c) any person otherwise allied to or associated with the Company;
  - (2) any other individuals whose service has been of benefit to the Company or who the Company considers have a moral claim on the Company; and
  - (3) the spouses, widows, widowers, families and dependants of any such individuals as aforesaid; and
  - (B) to establish, provide, carry on, maintain, manage, support and provide financial or other assistance to welfare, sports and social facilities, associations, clubs, funds and institutions which the Company considers likely to benefit or further the interests of any of the aforementioned individuals, spouses, widows, widowers, families and dependants.
- (39) In its capacity as the governing, regulatory, promotional, administrative and organisational authority of the sport and industry of horse racing in Great Britain, to provide any guarantee or indemnity in respect of the performance or discharge of any obligation or liability by, or otherwise for the benefit of, any person.
- (40) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, warrants and other negotiable or transferable documents.
- (41) To act as agents, brokers or trustees and to enter into such arrangements with other persons or companies as the Company may consider desirable to advance the governance, regulation, promotion, administration or organisation of the sport and industry of horseracing in Great Britain.
- (42) To carry on through any subsidiary or associated company any activities which the Company is authorised to carry on under these objects (as limited by clause 4 of this memorandum) and to make any arrangements whatsoever with such company (including any arrangements for taking the profits or bearing the losses of any such activities) as thought fit in relation to such activities.
- (43) To co-ordinate, finance and manage all or any part of the operation of any company which is a subsidiary of the Company or otherwise under the control of the Company and generally to carry on the business of a holding company.

- (44) To pay and discharge all or any expenses, costs and disbursements, to pay commission and to remunerate any person out of the funds of the Company for services rendered or to be rendered, in connection with the formation, promotion and registration of the Company.
- (45) To establish projects or other schemes to further the objects of the Company, including without limitation training and education and establish or support or aid in the establishment and support of any companies, trusts, associations or institutions and donate, subscribe or guarantee money to further the objects of the Company, including without limitation training and education.
- (46) To carry on any business which, in the opinion of the Company, can be advantageously carried on in connection with or ancillary to the governance, regulatory, promotional, administrative or organisational activities of the Company or is calculated directly or indirectly to advance the interests of the sport and industry of horseracing in Great Britain.
- (47) To enter into such transactions in connection with any business of the Company as may be deemed desirable for the purpose of the Company's governance, regulatory, promotional, administrative or organisational affairs.
- (48) To associate, affiliate or co-operate with any local or governmental authority, company, association, institution or other body in the furtherance of the objects of the Company and enter into any arrangement or agreement and join in any venture in conjunction with any such body for such purposes.
- (49) To do all or any of the above things in any part of the world whether as principals or agents or trustees or otherwise and either alone or jointly with others and either by or through agents, subcontractors, trustees or otherwise.
- (50) To do all such other things as may be considered by the Company to be conducive to the attainment of the above objects or any of them.

**AND IT IS HEREBY DECLARED THAT:**

- (A) unless the context otherwise required, words in the singular include the plural and vice versa;
- (B) unless the context otherwise requires, a reference to a person includes a reference to a body corporate (including, without prejudice to the generality of that term, any company which is a parent company of the Company, or is a subsidiary undertaking of the Company or any such parent company, or is associated in way with the Company) and to any unincorporated body of persons;
- (C) a reference to any property, right or asset includes reference to any interest in it, and a reference to any liability includes a reference to any loss;

- (D) reference to "other" and "otherwise" shall not be construed eiusdem generis where a wider construction is possible;
  - (E) a reference to anything which the Company thinks fit or desirable or considers or which may seem (whether to the Company or at large) expedient, conducive, or calculated or capable, or to any similar expression connoting opinion or perception, includes, in relation to any power exercisable by or matter within the responsibility of the directors of the Company, a reference to any such thing which (subject in each case to clause 4 of this memorandum) the directors so think or consider or which may so seem to the directors or which is in the opinion or perception of the directors;
  - (F) the expressions "subsidiary undertaking" and "parent company" have the same meaning as in section 258 of and Schedule 10A to the Companies Act 1985 or any statutory modification or re-enactment of it;
  - (G) each statement in the foregoing paragraphs is to be taken (unless otherwise expressly stated) as requiring or permitting the Company to exercise any power only in furtherance of the objects of the Company; and
  - (H) the objects specified in each of the foregoing paragraphs shall be separate and distinct objects of the Company and accordingly shall not be in any way limited or restricted (except so far as otherwise expressly stated in any paragraph or by clause 4 of this memorandum) by reference to or inference from the terms of any other paragraph or the order in which the paragraphs occur or the name of the Company, and none of the paragraphs shall be deemed merely subsidiary or incidental to any other paragraph.
4. The objects of the Company shall be subject to the following restrictions and limitations:
- (1) without the unanimous consent of the members of the Company in general meeting or by written resolution, the Company shall not carry on any commercial activity other than primarily for the purposes of the exercise of its governance, regulatory, promotional, administrative or organisational responsibilities and functions in relation to the sport and industry of horseracing in Great Britain;
  - (2) for the purposes of clause 4(1) of this memorandum:
    - (A) a resolution of the members of the Company shall be deemed to be unanimous, whether proposed in general meeting or by written resolution, if a majority of the votes of members entitled to be exercised at the time are exercised in favour of the proposal and no vote is exercised by any member, whether in person or by proxy, against the resolution;
    - (B) any proposal to revoke or alter any consent previously given by the members of the Company for the purposes of clause 4(1) of this memorandum shall be subject to the unanimous consent of

the members in general meeting or by written resolution in accordance with clause 4(2); and

- (C) no revocation or alteration of any consent previously given by the members of the Company in accordance with this clause shall have or be deemed to have retrospective effect and, for the avoidance of doubt, no such revocation or alteration shall apply to any act, arrangement or agreement done or made by or on behalf of the Company either prior to the effective date of any such revocation or alteration or, after such effective date, in consequence of any legally enforceable agreement or obligation made by or on behalf of, or applicable to, the Company prior to such effective date.
  - (3) in case the Company shall take or hold any property which may be subject to any trusts the Company shall deal with or invest the same only in such manner as allowed by law having regard to such trusts;
  - (4) in case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law; and
  - (5) subject always to the provisions of clause 5, the Company shall use or otherwise deal with any dividends or other distributions (whether on a return of assets, liquidation or otherwise) received by the Company from British Horseracing Database Limited as directed by unanimous resolution of the members passed in accordance with Article 30 of the Company's Articles of Association and in the absence of any such direction shall retain all such dividends or other distributions.
5. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in this Memorandum of Association and (subject to the following paragraphs) no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to any member of the Company provided that nothing herein shall prevent any payment in good faith by the Company:
- (1) of reasonable and proper remuneration for any services rendered to the Company or to horseracing in Great Britain or elsewhere in respect of the governance, regulation, promotion, administration and organisation by any member of the Company, director or other officer or other individual;
  - (2) of interest on money lent by any member, director or other officer of the Company at a rate per annum not exceeding 2 per cent less than the base lending rate prescribed for the time being by National Westminster Bank plc, or 10 per cent whichever is the greater;
  - (3) of reasonable and proper rent for premises demised or let by any member or officer of the Company on bona fide arms' length terms;
  - (4) of reasonable and proper professional charges to any member, director or other officer of the Company or to any firm or company in which a member or officer of the Company may be beneficially

interested for his, their or its professional services rendered to the Company; and

- (5) of out of pocket expenses to any member, director or other officer of the Company.
6. The liability of the members is limited.
7. 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 arising before he ceases to be a member and all costs, charges and expenses of winding-up after the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding one pound.
8. 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 person having objects in relation to the governance, regulation, promotion, administration and organisation of horseracing or any element of that industry and which are similar to the applicable object of the Company, and which shall prohibit the distribution of its or their income and property among its or their members to an extent as least as great as is imposed on the Company under or by virtue of Clause 5 of this Memorandum of Association, such institution or institutions to be determined by the members of the Company at or before the time of winding up or dissolution and, if and so far as effect cannot be given to the aforesaid 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, Addresses and Description of Subscribers

---

Mark Frederick Sten Alsop  
Hale Court  
Lincoln's Inn  
London  
WC2A 3UL

Solicitor

Patrick James Russell  
Hale Court  
Lincoln's Inn  
London  
WC2A 3UL

Solicitor

---

DATED this 14th day of April  
One thousand nine hundred and ninety three

Jane Elizabeth Reeves  
Hale Court  
Lincoln's Inn  
London  
WC2A 3UL

Solicitor

---

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

---

**ARTICLES OF ASSOCIATION  
OF  
BRITISH HORSERACING AUTHORITY LIMITED**

(as altered by special resolution passed on 22 May 2009 and with effect from 28 May 2009, by special resolution passed on 30 June 2010 and with effect from 30 June 2010, and by special resolution passed on 6 April 2011 and with effect from 6 April 2011)

---

**INTERPRETATION**

1. (1) In these Articles the following words bear the following meanings:
  - "1985 Act"** means the Companies Act 1985 to the extent in force from time to time;
  - "2006 Act"** means the Companies Act 2006 to the extent in force from time to time;
  - "Acts"** means the 1985 Act and the 2006 Act;
  - "Articles"** means the articles of association of the Company;
  - "BHD"** means British Horseracing Database Limited (company number 7035888);
  - "BHD "A" Director"** means a director of BHD appointed in accordance with article 16.2 of its articles of association;
  - "BHD Additional Director"** means a director of BHD appointed in accordance with article 16.5 of its articles of association;
  - "Board"** or **"board of directors"** means the board of directors of the Company as from time to time constituted;
  - "Chairman"** means the director from time to time appointed as chairman of the board of directors of the Company pursuant to Article 41(1);
  - "Chief Executive"** means the person from time to time appointed to the executive office of "Chief Executive" of the Company pursuant to Article 41(2);

**"clear days"** means in relation to the period of a notice, 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;

**"committee members"** means the members of any committee as may from time to time be established by the Board pursuant to Article 46;

**"director"** means a director of the Company for the time being appointed pursuant to these Articles;

**"electronic form"** means the same as in the 2006 Act;

**"electronic means"** means the same as in the 2006 Act;

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

**"Independent NED"** means a person appointed a director of the Company pursuant to Article 41(3);

**"Independent Regulatory NED"** means a person appointed a director of the Company pursuant to Article 41(4);

**"Licensed Personnel"** means trainers, jockeys and stable staff as are licensed under the Rules of Racing and as represented by the NTF, the PJA and the NASS (and/or their respective successor or successors appointed pursuant to Article 8);

**"Licensed Personnel Member"** means the Member jointly representing the Licensed Personnel or its successor or successors appointed pursuant to Article 8;

**"Member"** means a member of the Company and any other person who agrees to become a member of the Company and whose name is entered on the register of members;

**"Member's Nominated Director"** means a person appointed a director of the Company pursuant to Article 41(5);

**"Members' Prior Approval"** means either:

- (a) a resolution passed unanimously in a general meeting of the Company duly convened in accordance with these Articles; or
- (b) a resolution in writing executed by or on behalf of all of the Members in accordance with Article 28;

**"Memorandum"** means the memorandum of association of the Company;

**"NASS"** means the National Association of Stable Staff

**"NED"** means a director of the Company other than the Chairman and the Chief Executive;

**"Nominations Committee"** means the committee of the Board constituted by the Board as the Nominations Committee in accordance with these Articles;

**"NTF"** means the National Trainers Federation;

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

**"PJA"** means the Professional Jockeys Association;

**"racecourse or racecourses"** means the entity or entities licensed by the Company to stage thoroughbred horseracing fixtures in Great Britain;

**"Racecourse Member"** means the RCA or its successor or successors appointed pursuant to Article 8;

**"Racehorse Owner Member"** means the ROA or its successor or successors appointed pursuant to Article 8;

**"Racing"** means horseracing in Great Britain conducted under the Rules of Racing, the Regulations for Point-to-Point Steeple Chases and the Regulations for Arab Horse Racing in force from time to time and under such other rules, regulations, orders, instructions and directions relating to the holding of race meetings as may be approved by the Board from time to time;

**"RCA"** means The Racecourse Association Limited;

**"REL"** means Racing Enterprises Limited, a company registered in England and Wales with registered number 4444746;

**"ROA"** means the Racehorse Owners Association Limited;

**"Rules Committee"** means the committee of the Board constituted as the Rules Committee in accordance with these Articles;

**"Rules of Racing"** means the provisions for the regulation of racing matters known as "The Rules of Racing" as applicable from time to time and any instructions, regulations, standing orders, decisions, rulings or findings, penalties or orders of any nature made pursuant to them;

**"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;

**"TBA"** means The Thoroughbred Breeders' Association; and

**"Thoroughbred Breeder Member"** means the TBA or its successor or successors appointed pursuant to Article 8.

- (2) Save as aforesaid and unless the context otherwise requires, words or expressions contained in these Articles have the same meaning as in the Acts but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- (3) Except where otherwise expressly stated, a reference in these Articles to any primary or delegated legislation or legislative provision includes a reference to any modification or re-enactment of it for the time being in force.
- (4) In these Articles, unless the context otherwise requires –
  - (A) words in the singular include the plural, and vice versa;
  - (B) words importing any gender include all genders; and
  - (C) a reference to a person includes a reference to a body corporate;and

- (D) a reference to a body corporate includes a reference to an unincorporated body of persons and companies incorporated by Royal Charter.
- (5) In these Articles –
  - (A) references to writing include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and documents and information sent or supplied in electronic form are "in writing" for the purposes of these Articles;
  - (B) references to "other" and "otherwise" shall not be construed eiusdem generic where a wider construction is possible;
  - (C) references to a power are to a power of any kind, whether administrative, discretionary or otherwise; and
  - (D) references to a committee of the directors are to a committee established in accordance with these Articles, whether or not comprised wholly of directors.
- (6) The headings are inserted for convenience only and do not affect the construction of these Articles.
- 2. None of the articles contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) shall apply to the Company except so far as embodied in any of the following Articles.

## **MEMBERS**

- 3. Such persons as are admitted to membership in accordance with the Articles shall be members of the Company.
- 4. (1) The directors shall subject to the Articles admit to membership of the Company the following persons:
  - (A) The Racecourse Member;
  - (B) The Racehorse Owner Member;
  - (C) The Licensed Personnel Member; and
  - (D) The Thoroughbred Breeder Member.
- (2) Save in accordance with the provisions of Article 4(1) and Article 8(5), the directors shall only admit a person to membership after obtaining Members' Prior Approval.
- 5. Any body corporate or unincorporated association which is a Member may by resolution of its directors or other governing body authorise any person as it thinks fit to act as its representative at any meeting of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of that body corporate or unincorporated association as the body corporate or unincorporated association could exercise if it were an individual Member and the body corporate or unincorporated association shall for the purposes of the Articles be deemed to be present in person at the meeting if a person so authorised is present.

6. The rights and privileges of a Member shall be personal to it and not be transferable by its own act or by operation of law.
7. A Member shall immediately cease to be a Member upon the happening of any of the following events:
  - (1) if a receiver, manager, administrative receiver or administrator is appointed of the Member or over all or any part of its undertaking or assets; or
  - (2) if the Member enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
  - (3) upon a Member withdrawing as a Member of the Company by serving not less than thirty days' written notice delivered at the Office;
  - (4) if the Member is removed in accordance with these Articles.
8.
  - (1) The purpose of this Article is to provide a process to ensure as far as is practicable that the membership and structure of the Company shall at all times remain as representative of Racing as possible following the adoption of these Articles.
  - (2) Subject to the following provisions of this Article and in recognition of Article 8(1), the Board may recommend to the Members either:
    - (A) the removal of the Racecourse Member or the Racehorse Owner Member or the Licensed Personnel Member or the Thoroughbred Breeder Member as a Member; and/or
    - (B) the admission to membership of the Company of any person as an additional Member,if the relevant Member ("**Relevant Member**") shall, in the opinion of the Board, cease to be the person most representative in Great Britain of the interests of owners of racecourses or of the owners of racehorses or of the trainers, jockeys and stable staff licensed under the Rules of Racing or of the breeders of thoroughbreds (as the case may be).
  - (3) The Relevant Member shall be informed of the Board's opinion, and be permitted to make representations to the Board within the period as the Board may determine, either in writing or (if the Board so permits) by personal attendance at a meeting of the Board or any committee delegated with authority for that purpose.
  - (4) The Board shall also consult with or seek representation from any third party whom it considers desirable or appropriate, including without prejudice to the foregoing, any association or body which is representative of any persons engaged or directly or indirectly interested in Racing.
  - (5) If after considering such representations the Board reconfirms its recommendation, the Board shall convene a general meeting of the Members at which, in recognition of Article 8(1), a resolution shall be proposed to give effect to:
    - (A) the removal of the Relevant Member and/or the admission to membership of another person either as the successor of the

Relevant Member or in addition to the existing Members in accordance with these Articles; and

- (B) any alteration to these Articles which the Board may consider necessary or desirable as a consequence of the proposed change of membership, including without limitation, in relation to the respective voting rights and limitations of each of the Members, the right to appoint or nominate directors, the eligibility of any person to be or remain a director or hold office in any capacity, the number of directors and membership of any committee of the Board.

Notwithstanding any other provision of these Articles, the Relevant Member shall not be included in the quorum and shall not be entitled to vote in respect of that resolution. Subject thereto, the provisions of Article 30(2) shall apply in relation to that resolution.

- (6) No Racecourse Member, Racehorse Owner Member, Licensed Personnel Member nor any Thoroughbred Breeder Member may be removed under this Article unless at the same time the Board recommends and proposes for admission to membership in its place another person who in the opinion of the Board is most representative of the interests of owners of racecourses or owners of racehorses or the trainers, jockeys and stable staff licensed under the Rules of Racing or the interests of breeders of thoroughbreds (as the case may be). The person admitted to membership shall have the rights of membership conferred in these Articles on the removed Member, in particular as to voting and the entitlement to nominate directors under Articles 30 and 41 respectively unless and to the extent that the rights are altered by the resolution passed by the Members in accordance with Article 8(5).

## **GENERAL MEETINGS**

- 9. All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 10. The directors may call general meetings and, on the written requisition of a Member received at the Office pursuant to the provisions of the Acts, shall immediately proceed to convene an extraordinary general meeting. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or if there is no director, any Member may call a general meeting.

## **NOTICE OF GENERAL MEETINGS**

- 11. Subject to the provisions of the Acts, an annual general meeting and an extraordinary general meeting called for the passing of a special resolution, or a resolution appointing a person as a director, shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by all of the Members entitled to attend and vote thereat. The notice shall specify the place, the day and the time 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. Notices

shall be given to all the Members and to the directors and auditors of the Company.

12. The accidental omission to send or 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**

13. No business shall be transacted at any meeting unless a quorum is present. All the Members present by their duly authorised representatives or by proxy shall be a quorum.
14.
  - (1) If a quorum is not present within half an hour from the time appointed for holding the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day seven days later at the same time and place or to such other day, time and place (not being more than thirty days nor less than seven days after the date appointed for the meeting) as the Chairman or in his absence the directors present may determine.
  - (2) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present by their duly authorised representatives or by proxy shall (subject to Article 14(3)) constitute the quorum for any business to be transacted at that adjourned meeting.
  - (3) If at the adjourned meeting a quorum required pursuant to Article 13 is not present within half an hour from the time appointed for holding the meeting, the meeting shall not be quorate for the purposes of any resolution to which Article 30(2) applies and accordingly the meeting shall be dissolved insofar as it relates to any such resolution.
  - (4) Where a meeting is adjourned under Article 14(l) for seven days or more, not less than three clear days' notice of the adjourned meeting shall be given as in the case of an original meeting specifying the time and place of the adjourned meeting and the general nature of the business to be transacted but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had a quorum been present. Otherwise it shall not be necessary to give any such notice.
15. The Chairman or in his absence another director (other than a Member's Nominated Director) nominated by the Board shall preside as chairman of the meeting, but if neither the Chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number present (other than a Member's Nominated Director) to be chairman and, if there is only one such director present and willing to act, he shall be chairman provided that no Member's Nominated Director shall be appointed, or entitled to act, as chairman of any meeting of the Members.
16. If no director entitled to act as chairman is willing to act as chairman, or if no director so entitled is present within fifteen 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.

17. A director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.
18. Without prejudice to any other power of adjournment he may have under these Articles or at common law:
  - (1) the chairman of the meeting 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; and
  - (2) the chairman of the meeting may, without the consent of the meeting, adjourn the meeting before or after it has commenced, to another date, time or place which the chairman may decide, if the chairman considers that:
    - (A) there is not enough room for the number of Members and proxies who wish to attend the meeting;
    - (B) the behaviour of anyone present prevents, or is likely to prevent, the orderly conduct of the business of the meeting; or
    - (C) an adjournment is otherwise necessary in order for the business of the meeting to be properly carried out.
19. No amendment to a resolution duly proposed as a special or extraordinary resolution may be considered or voted on unless the amendment is only to correct a clear error. No amendment to a resolution duly proposed as an ordinary resolution may be considered or voted on unless:
  - (1) the amendment is only to correct a clear error; or
  - (2) written notice of the terms of the proposed amendment and of the intention to move the amendment have been deposited at the Office at least 48 hours before the time for holding the meeting or the adjourned meeting at which the ordinary resolution in question is proposed and notice of such proposed amendment has been given to all Members at least 24 hours before the time for holding the meeting or the adjourned meeting; or
  - (3) the chairman of the meeting, in his absolute discretion, decides that the proposed amendment may be considered or voted on.
20. With the consent of the chairman of the meeting, an amendment may be withdrawn by its proposer before it is voted on. If an amendment proposed to any resolution under consideration is ruled out of order by the chairman of the meeting, the proceedings on the resolution shall not be invalidated by any error in the ruling.
21. 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 Acts, a poll may be demanded:
  - (1) by the chairman of the meeting; or

(2) by any Member 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.

22. Unless a poll is duly demanded a declaration by the chairman of the meeting 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.
23. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting 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.
24. A poll shall be taken as the chairman of the meeting 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.
25. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall not be entitled to a casting vote.
26. A poll demanded on any question, including the election of a chairman of the meeting or on a question of adjournment, shall be taken immediately. 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.
27. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
28. A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which it was present shall be as effective 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.
29. References to meetings of Members in the Articles shall be read and construed to include meetings either in person or by means of conference telephone, video conferencing or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly. Such a 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.

## **VOTES OF MEMBERS**

30. (1) On a show of hands and on a poll Members who are present by their duly authorised representatives or by proxy shall have the following votes:
- (A) the Racecourse Member shall have three votes;
  - (B) the Racehorse Owner Member shall have one vote;
  - (C) the Licensed Personnel Member shall have one vote; and
  - (D) the Thoroughbred Breeder Member shall have one vote.
- (2) Notwithstanding Article 30(1) but subject to Articles 30(3) and 30(4), on a show of hands and on a poll Members who are present by their duly authorised representatives or by proxy shall have one vote each in connection with any resolution:
- (A) relating to any alteration to the Memorandum or these Articles;
  - (B) relating to any consent of the Members required in connection with clause 4(1) of the Memorandum or the revocation or alteration of any such consent;
  - (C) relating to the passing of any resolution to remove a Member pursuant to Article 8(5);
  - (D) relating to the passing of any resolution to wind up the Company;
  - (E) relating to any material alteration in the nature of the business or activities of the Company;
  - (F) relating to any proposal to merge or amalgamate the Company or any material part of its business or undertaking with a third party or to sell or dispose of its business or undertaking, or any material part thereof, to a third party;
  - (G) requiring the approval of the Members in accordance with Articles 39, 46 or 48; and
  - (H) relating to any direction required in connection with clause 4(5) of the Memorandum,
- and provided further that in relation to any such resolution no Member entitled to vote shall have voted, whether in person or by proxy, against that resolution.
- (3) For the purposes of this Article 30(3):
- (A) a resolution of the members of the Company shall be deemed to be unanimous, whether proposed in general meeting or by written resolution, if a majority of the votes of members entitled to be exercised at the time are exercised in favour of the proposal and no vote is exercised by any member, whether in person or by proxy, against the resolution;
  - (B) any proposal to revoke or alter any resolution previously approved by the members of the Company under Article 30(2) shall be subject to the unanimous approval of the members in general meeting or by written resolution in accordance with Article 30(3)(A); and

- (C) no revocation or alteration of any resolution previously approved by the members of the Company in accordance with this Article shall have or be deemed to have retrospective effect and shall not apply to any act, arrangement or agreement done or made by or on behalf of the Company either prior to the effective date of any such revocation or alteration or, after such effective date, in consequence of any legally enforceable agreement or obligation made by or on behalf of, or applicable to, the Company prior to such effective date.
- (4) The provisions of Article 30(2) shall cease to apply immediately upon any person other than the Members at the date of adoption of these Articles becoming a Member of the Company unless all the Members, including the new Member, otherwise unanimously resolve or agree in writing.
- 31. No objection shall be raised to the qualification of any person exercising the right to vote 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 of the meeting whose decision shall be final and conclusive. For the avoidance of doubt, the chairman shall not be entitled to refuse to accept an instrument of proxy to the extent that it complies with Articles 34 and 35.
- 32. The appointment of a proxy shall be executed by or on behalf of the appointor. In the case of an instrument in writing, a corporation may execute a form of proxy either under its common seal (or in any other manner permitted by law and having the same effect as if executed under seal) or under the hand of a duly authorised officer, attorney or other person. The appointment of a proxy shall not preclude a Member from attending and voting at the meeting or at any adjournment of it. A form of proxy shall, unless it provides to the contrary, be valid for any adjournment of the meeting to which it relates.
- 33. The appointment of a proxy shall be in such form as the Board may from time to time determine (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve).
- 34. The instrument appointing a proxy and any authority under which the instrument is executed or a copy of such authority certified notarially or in some other way approved by the directors:-
  - (1) may be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - (2) may be sent in the case of an appointment in electronic form to an address specified for the purpose of receiving such communications:
    - (A) in the notice convening the meeting; or
    - (B) in any instrument of proxy sent out by the Company in relation to the meeting; or

(C) in any invitation in electronic form to appoint a proxy issued by the Company in relation to the meeting,

so long as it is received (regardless of whether or not it appears to the sender to have been received) at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

(3) in the case of a poll taken more than 48 hours after it is demanded, may 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

(4) where the poll is not taken immediately but is taken not more than 48 hours after it was demanded, may be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director:

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

35. Any instrument appointing a proxy may be delivered by facsimile transmitted to the place for delivery of instruments of proxy (or any of them) referred to in Article 34(1), provided that:

(1) the chairman of the meeting determines in his sole discretion (such discretion to be conclusive) that such facsimile has been transmitted in any acceptable manner (including that the copy of the original instrument of proxy contained in the facsimile is complete and is legible); and

(2) (unless the Board in its absolute discretion waives such requirement) in relation to the original instrument of the proxy (of which the facsimile is a copy) Article 34(1), (2), (3) or (4) is complied with by not later than one hour before the time appointed for the holding of the meeting or adjourned meeting or for the taking of the poll.

36. In these Articles, "address" means any number or address used for the purposes of sending or receiving notices, documents or information by electronic means.

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

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

38. Notwithstanding any provision in these Articles, no person shall hold office as a director of the Company in whatever capacity or capacities for more than nine years in aggregate, whether in consecutive terms or otherwise, provided that in

determining the period of office of any director, no account shall be taken of any period prior to 31 July 2007 during which the person held office as a director of the Company or, for the avoidance of doubt, The British Horseracing Board Limited, The Horseracing Regulatory Authority, The Jockey Club or their respective predecessors in relation to the governance and regulation of Racing.

39. Notwithstanding any provision of these Articles, without the Members' Prior Approval, no person shall be appointed a director while he is a holder of a licence issued under the Rules of Racing or employed by such a person or while he is a director of REL.
40. The number of directors shall be at least eight and shall comprise:
  - (1) the Chairman;
  - (2) the Chief Executive;
  - (3) at least two Independent NEDs;
  - (4) two Independent Regulatory NEDs; and
  - (5) two Member's Nominated Directors.
41.
  - (1) The Nominations Committee shall nominate to the Board such person as it thinks fit for the office of Chairman. The Board shall have the power to appoint or refuse to appoint such person as may be so nominated. Subject to Article 38, each such appointment shall be for a period of up to three years and such person may be re-appointed for a further period or periods of up to three years.
  - (2) The Nominations Committee shall nominate to the Board such person as it thinks fit for the office of Chief Executive. The Board shall have the power to appoint or refuse to appoint such person as may be so nominated. Subject to Article 38, each such appointment shall be for a period of up to three years and such person may be re-appointed for a further period or periods of up to three years.
  - (3) The Nominations Committee shall nominate to the Board at least two individuals as it thinks fit to take office as Independent NEDs. The Board shall have the power to appoint or refuse to appoint such person as may be so nominated. Subject to Article 38, each such appointment shall be for a period of up to three years and such person may be re-appointed for a further period or periods of up to three years.
  - (4) The Nominations Committee shall nominate to the Board two individuals as it thinks fit to take office as Independent Regulatory NEDs. The Board shall have the power to appoint or refuse to appoint such persons as may be so nominated. Subject to Article 38, each such appointment shall be for a period of up to three years and such person may be re-appointed for a further period or periods of up to three years.
  - (5) The Member's Nominated Directors shall be appointed as follows:
    - (A) the Racecourse Member shall appoint such person with appropriate practical experience in the horseracing industry as it thinks fit to take office as a Member's Nominated Director; and

- (B) the Racehorse Owner Member, the Thoroughbred Breeder Member and the Licensed Personnel Member shall collectively appoint such person with appropriate practical experience in the horseracing industry as they collectively think fit to take office as a Member's Nominated Director.

Each such appointment shall be for a period of up to three years and such person may be re-appointed for a further period or periods of up to three years.

42. Each director appointed pursuant to Article 41 shall hold office subject to Articles 49 to 53.

43A. (1) The directors of the Company shall have the sole and exclusive authority from time to time to exercise the rights of the Company as the holder of "A" ordinary shares of £1 each in BHD in respect of the appointment and removal of any BHD "A" Director and (subject to Members' Prior Approval) the appointment and removal of any BHD Additional Director.

(2) If any BHD Additional Director is appointed by the Company in accordance with the articles of association of BHD and either:

(A) a resolution is passed unanimously in a general meeting of the Company duly convened in accordance with these Articles; or

(B) a resolution in writing is executed by or on behalf of all the Members in accordance with Article 28

requiring the removal of any BHD Additional Director, the Company shall immediately procure the removal of that BHD Additional Director in accordance with the articles of association of BHD.

43. Without prejudice to Article 42, a director may also be removed from office in accordance with the Acts.

## **POWERS OF DIRECTORS**

44. The business of the Company, including the sole and exclusive authority to determine from time to time the Rules of Racing, shall be managed by the directors who, subject to the provisions of the Acts, the Memorandum and these Articles and to any directions given by special resolution, may exercise all the powers of the Company. No alteration of the Memorandum or the Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

45. 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 POWERS OF THE BOARD**

46. The Board may delegate certain of their powers to a committee or committees consisting of one or more directors and/or to such other person or persons as it thinks fit. Any such delegation may be made upon such terms of reference and subject to any conditions as the Board may impose and either collaterally with or to the exclusion of its own powers and may be revoked or altered provided that no such terms of reference and conditions shall be adopted or imposed or revoked or altered in the case of the Nominations Committee and the Chairman's Committee, without Members' Prior Approval.
47. The Board may appoint to any office or employment having a designation or title including the word "director" or attach to any existing office or employment with the Company such designation or title and may terminate any such appointment or the use of any such designation or title. The inclusion of the word "director" in the designation or title of any such office or employment shall not imply that the holder is a director of the Company, nor shall the holder thereby be empowered in any respect to act as, or be deemed to be, a director of the Company for any of the purposes of these Articles, save pursuant to a delegation of power pursuant to Article 46.

#### **COMMITTEES**

48. The Board shall establish and maintain the following committees as standing committees of the Board pursuant to Article 46:
- (1) Audit Committee - comprising as its members at least three persons each of whom shall be appointed by Members' Prior Approval and of whom at least one shall be a director and at least one shall have recent and relevant financial experience;
  - (2) Chairman's Committee – comprising:
    - (A) the Chairman;
    - (B) the Chief Executive; and
    - (C) four ex officio members' representatives being the chairman of the RCA, the president of the ROA, the chairman of the TBA and the chief executive of the NTF;
  - (3) Fixture Allocation Committee – comprising six members to include two nominees of the Racecourse Member, one nominee of the Licensed Personnel Member and one nominee of the Racehorse Owner Member.
  - (4) Industry Committee – comprising the Chief Executive as its chairman and other members to be appointed from time to time by the Board;
  - (5) Nominations Committee – comprising the Chairman and two other members appointed by Members' Prior Approval;

- (6) Racing Committee – comprising the Chief Executive, the Racing Director of the Company and four other members (one of whom shall be appointed by each of the Members respectively), provided that if, and/or as long as neither the Chief Executive nor any of the four members appointed by the Members is appointed by the Board to be Chairman of the Racing Committee, the Board shall appoint another person as an additional member to chair the Committee;
- (7) Rules Committee - comprising a minimum of four individuals appointed by the Board as non-executive members of the Rules Committee. It shall also include ex officio the Chief Executive and the Director of Raceday Operations and Regulation.
- (8) Remuneration Committee – comprising the Chairman and at least one Independent NED and one Independent Regulatory NED appointed by Members' Prior Approval.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTOR AND COMMITTEE MEMBER**

49. Without prejudice to the provisions of the Acts, the Company may, by extraordinary resolution, remove a director before the expiration of his period of office (but such removal shall be without prejudice to any claim to damages for breach of any contract of service between the director and the Company) and, subject to these Articles, may, by ordinary resolution, appoint another person instead of him. A person so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is appointed was last appointed or reappointed a director.
50. Notwithstanding any other provision of these Articles, the Board shall have the power to suspend or remove any director who shall commit any act, or be guilty of any conduct, which, in the absolute discretion of the Board, shall be of a disreputable nature, or who, in the absolute discretion of the Board, has brought or is likely to bring the Company and/or Racing into disrepute, and:
  - (1) the director shall be informed of any complaint in regard to his conduct, and be permitted to make representations within any period as the Board may determine, either in writing or (if the Board permits) by personal attendance at a meeting of the Board or any committee delegated with authority for that purpose; and
  - (2) after considering the representations, it shall be within the power of the Board, to suspend or to remove the director.
51. Notwithstanding the provisions of Article 69, the director concerned under the provisions of Article 50 shall not be entitled to vote at the relevant Board meeting when the matter is voted upon. Any such decision may be at any time revoked or modified by the Board by a like vote.
52. During the period of any suspension of a director:
  - (1) the director shall not be permitted to attend or vote at meetings of the Board or otherwise vote upon resolutions of the Board; and
  - (2) if the director concerned holds office as an Independent NED, Independent Regulatory NED or Member's Nominated Director, the Nominations Committee (in the case of an Independent NED or an

Independent Regulatory NED) or the Member nominating the Member's Nominated Director concerned (as the case may be) shall be entitled to revoke the appointment of any alternate director appointed by that director and to appoint an alternate director to hold office in accordance with Articles 74 to 80, mutatis mutandis, for the period of the suspension. Any such alternate director so appointed shall be deemed to be the appointee of the director concerned for the purposes of these Articles.

53. The office of a director and of a committee member shall be vacated:
- (1) if, being a director, he ceases to be a director by virtue of any provision of the Acts or otherwise he becomes prohibited by law from being a director of a company; or
  - (2) if, in the case of the Chairman or any Independent NED or Independent Regulatory NED and on the advice of the Nominations Committee, the Board resolves that the director ceases to satisfy the original criteria adopted by the Nominations Committee in nominating that person to be a director or otherwise by the Board in appointing that person to be a director;
  - (3) if he becomes a director of REL or any holding company of REL or any subsidiary undertaking of REL or any such holding company; or
  - (4) if he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (5) if he is, or may be, suffering from mental disorder and either:
    - (A) he is admitted to hospital in pursuance of an application for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - (B) 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
  - (6) if he resigns his office by notice to the Company; or
  - (7) if he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors or committees (as the case may be) held during that period and the directors or other committee members resolve that his office be vacated; or
  - (8) if he has been declared a "disqualified person" under the Rules of Racing; or
  - (9) if he is removed from office or ceases to be eligible for office in accordance with the Articles or the Acts; or
  - (10) if being a director, the person appointing him ceases to be a member; or

- (11) if his period of appointment expires and he is not re-appointed for a further term.

## **REMUNERATION OF DIRECTORS**

54. The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day. To the extent that any director holds office for part only of the period in respect of which such remuneration is payable, he shall be entitled only to a proportion of remuneration related to the period during which he has held office.
55. Any director who holds any executive office (including for this purpose the office of Chairman whether or not such office is held in an executive capacity), or who serves on any committee of the directors, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, commission or otherwise as the directors may determine and either in addition to or in lieu of his remuneration as a director.
56. Any person who is not a director or employee of the Company and who holds office as a member of a committee or sub-committee of the Board may be paid such remuneration by way of fee, salary, commission or otherwise as the directors may determine.

## **DIRECTORS' AND COMMITTEE MEMBERS' EXPENSES**

57. The directors and committee members 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 otherwise in connection with the discharge of their duties.

## **DIRECTORS' APPOINTMENTS AND INTERESTS**

58. Subject to the provisions of the Acts and these Articles, the directors may appoint one or more of their number to the office of Chief Executive, 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 a director 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.
59. Subject to the provisions of the Acts, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- (1) unless the other directors present at the applicable meeting otherwise resolve at the meeting at which the transaction or arrangement is considered, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

- (2) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - (3) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or (subject to Article 59(1)) 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.
60. For the purposes of Article 59:
- (1) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
  - (2) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

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

61. 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, or any person who has been but is no longer a member of any committee or sub-committee of, the Company or with or of 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 or to be a member of any committee or sub-committee) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### **PROCEEDINGS OF DIRECTORS**

62. (1) Subject to the provisions of the Articles, the directors may regulate their proceedings as they may think fit. A director may, and the Secretary at the request of a director shall, call a meeting of the directors for a time not earlier than 48 hours after notice has been given in accordance with the Articles. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom and who has not given to the Secretary an address within the United Kingdom or an address for communications by electronic means at which notices may be given. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.

- (2) An accidental omission to send or give notice of a meeting of directors or the non-receipt of notice of such meeting by a director shall not invalidate the proceedings at the meeting.
  - (3) All or any of the directors or any committee of the directors may participate in a meeting of the directors or that committee by means of a conference telephone, video conferencing or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Subject to the Acts, all business transacted in this way by the board of directors or a committee of the board of directors shall be deemed for the purpose of the Articles to be validly and effectively transacted at a meeting of the Board or a committee of the Board even if one director only is physically present at any one place. Such a 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.
63. The quorum for the transaction of the business of the directors shall be five of whom one shall be either the Chairman (or any such person acting as chairman in accordance with Article 66) or the Chief Executive present in person. An alternate director present in person who is not himself a director shall be counted in the quorum if his appointer is not present. An alternate director who is present in person and who is himself a director shall be counted for the purposes of quorum for himself and for each person for whom he is an alternate director.
  64. If at a meeting of the directors there is no quorum present, then the meeting shall be adjourned by the Chairman or in his absence the directors to a date which is not more than seven nor less than two days after the date of the meeting. If at the adjourned meeting no quorum is present within half an hour from the time appointed for the meeting, the directors present shall be a quorum.
  65. 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 in accordance with Article 41 or of calling a general meeting.
  66. Unless he is unwilling to do so, the Chairman 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.
  67. 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 was disqualified from holding office, or had vacated office, or was 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.

68. 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 and, if it is signed by an alternate director or by a director who has been instructed to vote on behalf of another Director at meetings, it need not be signed by that other director.
69. Subject to compliance with these Articles (in particular Articles 59 and 60) a director may vote at any meeting of directors or of a committee of directors on any resolution concerning a matter in relation to which the director (and any person connected with the director whose interest in accordance with the Acts shall be treated as an interest of the director) has an interest or duty which conflicts or may conflict with the interests of the Company.
70. A director (including an alternate director) present at a meeting shall be counted in the quorum present at that meeting in relation to a resolution on which he is not entitled to vote.
71. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
72. Where proposals are under consideration concerning the appointment of two or more directors to office 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 in respect of each resolution except that concerning his own appointment.
73. At least once in each calendar year, the directors shall organise and hold a meeting to present the future strategy and policy objectives of the Company as well as a review of the Company's activities over the previous twelve months. The directors of the Company shall invite to such meeting such persons and bodies as they deem appropriate from time to time.

#### **ALTERNATE DIRECTORS**

74. Subject to Article 80, the Member (or Members acting collectively) appointing a Member's Nominated Director may appoint any other director, or any other person willing to act, to be an alternate director of that Member's Nominated Director and may remove from office an alternate director so appointed.
75. Subject to Article 80, any Independent NED or Independent Regulatory NED may appoint any other director to be his alternate director and may remove from office an alternate director appointed by him.
76. An alternate director shall (unless he is absent from the United Kingdom) be entitled to receive notices of meetings of the directors and of committees of the

directors of which his appointor is a Member, to attend and vote at any such meeting at which the director appointing him is not present, and generally to perform all the functions of his appointor as a director in his absence, but shall not (unless the Company by ordinary resolution otherwise determines) be entitled to any fees for his services as an alternate director.

77. 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 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 reappointment.
78. An appointment or removal of an alternate director shall be by notice to the Company executed by the director making or revoking the appointment or in any other manner approved by the directors.
79. Save as otherwise provided in these 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 (or, if applicable, Member or Nominations Committee) appointing him.
80. For the avoidance of doubt:
  - (1) the provisions of Article 38 and of Article 42 shall apply in respect of any person proposed as an alternate director; and
  - (2) unless and to the extent that he holds office as a director at the same time, no period during which a person holds office as an alternate director shall be taken into account in determining any limitation period relating to the holding of any other office as director pursuant to these Articles.

## **SECRETARY**

81. Subject to the provisions of the Acts, 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**

82. The directors shall cause minutes to be made in books kept for the purpose:
  - (1) of all appointments of officers made by the directors; and
  - (2) of all proceedings at meetings of the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

## **THE SEAL**

83. The Seal 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**

84. 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 resolution of the Company.
85. In respect of each financial year, a copy of the Company's annual accounts, directors' report and Auditors' report on those accounts shall be sent by post or delivered or given by electronic means to an address for the time being notified to the Company by the Member, to every Member and every other person who is entitled to receive notices of general meetings, in each case not less than 21 clear days before the date of the meeting at which copies of those documents are to be laid in accordance with the Acts. This Article does not require copies of such documents to be sent or delivered or given to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware or to more than one of the joint holders of shares or debentures.

## **NOTICES ETC**

86. Any notice to be sent to or by any person pursuant to the Articles (other than a notice calling a meeting of the board of directors to which Article 62 applies) shall be in writing. Any such notice may be sent by electronic means to such address (if any) as may for the time being be notified for that purpose to the person giving the notice by or on behalf of the person to whom the notice is sent.
87. The Company may send any notice or other document to a Member by whichever of the following methods it may in its absolute discretion determine, 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 sending the notice or other document by electronic means to such address (if any) as may for the time being be notified to the Company by or on behalf of the Member for that purpose.
88.
  - (1) A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called.
  - (2) The board of directors may from time to time issue, endorse or adopt terms and conditions relating to the sending of notices, other documents and proxy appointments by electronic means by the Company to Members and by Members to the Company.
89.
  - (1) A notice or other document sent by the Company to a Member by post shall be deemed to be sent on the day following that on which it was put in the post unless it was sent by second class post or there is only one class of post in which case it shall be deemed to have been sent on the day next but one after it was posted, and, in proving sending, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document not sent by post but left at a registered address shall be deemed to have been sent on the day it was so left. Proof that a notice or other document in

electronic means was sent 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 board of directors so resolves, any subsequent guidance so issued, shall be conclusive evidence that the notice or other document was sent.

- (2) A notice or other document sent by the Company to a Member by electronic means shall be deemed sent to the Member on the day following that on which the notice or other document was sent to the Member. Such a notice or other document shall be deemed sent to the Member on that day notwithstanding that the Company becomes aware that the Member has failed to receive the relevant notice or other document for any reason and notwithstanding that the Company subsequently sends a copy of such notice or other document by post to the Member.
90.
  - (1) If on three consecutive occasions notices or other documents have been sent through the post to any Member at his registered address or his address for the service of notices but have been returned undelivered, such Member shall not be entitled to receive notices or other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered office or address within the United Kingdom for the service of notices.
  - (2) If on three consecutive occasions notices or other documents have been sent by electronic means to an address for the time being notified to the Company by the Member and the Company becomes aware that there has been a failure of transmission, the Company shall revert to giving notices and other documents to the Member by post or by any other means authorised in writing by the Member concerned. Such Member shall not be entitled to receive notices or other documents from the Company by electronic means until he shall have communicated with the Company and supplied in writing a new address to which notices or other documents may be sent by electronic means.
91. When convening a meeting of the board of directors, the notice need not be in writing.

## **INDEMNITY**

92. Subject to the provisions of the Acts, the Company may:
  - (1) indemnify any person who is or was a director, directly or indirectly (including by funding any expenditure incurred or to be incurred by him), against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company; and/or
  - (2) purchase and maintain insurance for any person who is or was a director against any loss or liability or any expenditure he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company.

For the purposes of this article, "associated company" has the same meaning as in section 309A of the 1985 Act.

**AUTHORITY TO BIND THE COMPANY**

93. Those persons in the executive employment of the Company who have been approved from time to time for the purposes of this Article by the Board, are authorised to sign documentation on behalf of the Company.

---