

Notice is hereby given that the ninth annual general meeting of members of Charter plc will be held at the offices of ABN AMRO, 250 Bishopsgate, London EC2M 4AA on Wednesday 24 April 2002 at 11.30 a.m. for the following purposes:

- 1 To receive and consider the accounts and the report of the directors for the year ended 31 December 2001.
- 2 To reappoint each of the following as directors following their initial appointments:
 - (a) The Hon. James H M Bruce
 - (b) Mr D M Eilbeck
 - (c) Mr M G Foster
 - (d) Mr H P R Mullan

Messrs Johnson and Taylor will retire by rotation and will not be seeking reappointment.
- 3 To reappoint PricewaterhouseCoopers as auditors and authorise the board to fix their remuneration.
- 4 To consider the following resolution, which will be proposed as an Ordinary Resolution:

"THAT the directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) up to an aggregate nominal amount of £256,998, PROVIDED THAT this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired."
- 5 To consider the following resolution, which will be proposed as a Special Resolution:

"THAT, subject to the passing of the previous resolution, the directors be and they are hereby empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (within the meaning of Section 94 of the said Act) for cash pursuant to the authority conferred by the previous resolution as if sub-section (1) of Section 89 of the said Act did not apply to any such allotment, PROVIDED THAT this power shall be limited:

 - (a) to the allotment of equity securities in connection with a rights issue in favour of shareholders where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to the respective numbers of shares held by them (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever); and
 - (b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £94,149

and shall expire upon the renewal of this power or, if earlier, at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, 24 July 2003 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired."
- 6 To consider the following resolution, which will be proposed as a Special Resolution:

"That the Company be and is hereby authorised, pursuant to Section 166 of the Companies Act 1985 to make market purchases (within the meaning of Section 163 of the Companies Act 1985) of up to an aggregate of 9,400,000 Ordinary Shares of 2p each of the Company in such manner as the directors may from time to time determine, at a price (exclusive of expenses) which is:

 - (a) not less than 2p per share; and
 - (b) not more than 5 per cent above the arithmetical average of the middle market quotations of ordinary shares of 2p each of the Company (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding any such purchase;

and that the authority conferred by this resolution shall expire upon the renewal of this power at or, if earlier, at the conclusion of, the next annual general meeting of the Company after the passing of this resolution or, if earlier, 24 July 2003 save that the Company may before the resolution expires make a contract of purchase which will or may be executed wholly or partly thereafter, and a purchase of shares may be made in pursuance of any such contract."
- 7 To consider the following resolution, which will be proposed as an Ordinary Resolution:

"THAT the Charter (DME) Incentive Plan, a summary of the Rules of which is set out in the Appendix to the notice of meeting, be and is hereby approved and the directors be and they are hereby authorised to do all acts and things necessary to establish and carry it into effect."

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company. A form of proxy accompanies this notice.

By order of the board
A R Yapp Secretary
20 March 2002

Registered office
7 Hobart Place
London SW1W 0HH

Notes

- 1 To have the right to attend and vote at the annual general meeting you must hold ordinary shares in the Company and your name must be entered on the share register of the Company at least 48 hours before the meeting.
- 2 Forms of proxy must reach the Company's registrars, Computershare Investor Services PLC, PO Box 1075, The Pavilions, Bridgwater Road, Bristol, BS99 3ZZ, not less than 48 hours before the meeting.
- 3 Holders of share warrants to bearer who wish to attend in person or by proxy or to vote at the meeting must comply with the relevant conditions governing share warrants to bearer.
- 4 Copies of directors' service contracts will be available for inspection by members at the registered office of the Company during normal business hours on any working day (Saturdays and Bank Holidays excepted) from the date of this notice and will, on the day of the annual general meeting, be available for inspection at the offices of ABN AMRO, 250 Bishopsgate, London EC2M 4AA, from 11.15 a.m. until the conclusion of the meeting.
- 5 Refreshments will be available at the venue from 11.00 a.m.
- 6 The voting results on the resolutions proposed will be available on request from the Secretary at the Company's registered office.

Appendix

Summary of the Main Provisions of the Charter (DME) Incentive Plan

1. Eligibility
David Eilbeck is the only director or employee of the Company who is entitled to participate in the Plan.
2. Grant of Awards
An award representing a contingent right to receive a cash payment will be made within 42 days of the date when the Plan is adopted. The award is personal to the participant and his personal representatives and may not be transferred. No payment will be required for the grant of the award and the award is not pensionable.
3. Circumstances in which Awards vest
The award will vest on 30 September, 2003 or, if earlier, the participant's cessation of employment in certain permitted circumstances (e.g. injury, ill-health, redundancy, death, or other circumstances approved by the Remuneration Committee in its absolute discretion) or on a change of control or other major corporate reorganisation of the Company.
In the event of the participant ceasing to be employed other than for a permitted reason or any purported transfer of his award the award shall immediately lapse unless the Remuneration Committee decides otherwise.
4. Payment on vesting
On vesting the participant becomes entitled to an amount in Pounds Sterling. Payment will be made immediately in full if vesting is the result of a change of control or the participant's cessation of employment for a permitted reason. If vesting occurs for any other reason (including a major corporate reorganisation of the Company), payment will, except in certain permitted circumstances, be made as to one-half on vesting and as to the balance on the first anniversary thereof as long as the participant remains an employee at that time. The gross amount of the total payment will be calculated in accordance with the following formula
$$£ 1 \times ((V - 200) \times 20V)$$
where V is a number, being the lesser of the number of pence in the "Relevant Share Price" and 500.
For these purposes the "Relevant Share Price" is generally based on an average share price in the 30 day period immediately following the date the award vests or, in the event of a change of control, the price per share of the relevant offer or, in the case of some other major corporate reorganisation, any amount of value per share which is returned to shareholders taken together with the average share price in the subsequent 30 day period.
In addition, the value per share of any equity subscriptions made by the Company's shareholders during the term of the plan will be deducted from the Relevant Share Price for the purposes of calculating the payment to be made on vesting of the award.
5. Variation of Capital
In the event of any variation of the share capital of the Company including a consolidation, a sub-division or rights issue, the Remuneration Committee may make such adjustment to the terms of the award (including as to the definition of Relevant Share Price and the formula described in paragraph 4 above) as it considers appropriate (and are confirmed by the Company's auditors as being reasonable in their opinion).
6. Amendment
The Remuneration Committee may suspend, amend or alter the Plan at any time but no action may impair or adversely affect the rights of the participant without the participant's consent and no alteration (except for minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for the participants in the Plan, the Company or any member of its group) shall be made to benefit the participant without the prior approval of the Company in general meeting.

Copies of the Charter (DME) Incentive Plan will be available for inspection at the Company's registered office during normal business hours from the date of despatch of the notice of meeting up to the date of and during the annual general meeting, and at the place of the meeting from 15 minutes prior to the start of the meeting until the close of the meeting.