

Company Number: 4764827

**THE COMPANIES ACT 2006**

**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**AFCW PLC**

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## Table of Contents

1. Articles of association of the Company .....	1
2. Defined terms .....	1
3. Interpretation .....	3
4. Liability of members.....	4
5. Directors' general authority .....	4
6. Members' reserve power .....	4
7. Power to delegate.....	4
8. Committees .....	5
9. Directors to take decisions collectively .....	5
10. Calling a directors' meeting .....	5
11. Participation in directors' meetings.....	5
12. Quorum for directors' meetings .....	6
13. Number of directors and the Board .....	6
14. Meetings where total number of directors less than quorum .....	7
15. Chairing of directors' meetings .....	7
16. Voting at directors' meetings: general rules .....	7
17. Chairman's casting vote at directors' meetings.....	7
18. Proposing directors' written resolutions.....	8
19. Adoption of directors' written resolutions.....	8
20. Directors' discretion to make further rules .....	8
21. Conflicts of interest: situational conflicts.....	8
22. Conflicts of interest: transactional conflicts and associated companies .....	9
23. Conflicts of interest: voting and permitted benefits .....	9
24. Methods of appointing directors .....	10
25. Retirement of directors by rotation .....	10
26. Termination of director's appointment .....	10
27. Majority power to appoint and remove directors .....	11
28. Directors' remuneration .....	11
29. Directors' expenses .....	12
30. Company secretary .....	12
31. Appointment and removal of alternates.....	12
32. Rights and responsibilities of alternate directors.....	13
33. Termination of alternate directorship.....	14
34. Power to borrow .....	14
35. Authorised share capital.....	15
36. Power to issue different classes of share.....	16
37. Alteration of share capital.....	17

38. Payment of commissions on subscription for shares .....	17
39. Company not bound by less than absolute interests .....	17
40. Certificates to be issued except in certain cases .....	17
41. Contents and execution of share certificates .....	18
42. Consolidated share certificates .....	18
43. Replacement share certificates .....	19
44. Uncertificated shares .....	19
45. Company's lien over partly paid shares .....	20
46. Enforcement of the Company's lien .....	21
47. Call notices .....	22
48. Liability to pay calls .....	22
49. When a call notice need not be issued .....	23
50. Failure to comply with a call notice: automatic consequences .....	23
51. Notice of intended forfeiture .....	24
52. Directors' power to forfeit shares .....	24
53. Effect of forfeiture .....	24
54. Procedure following forfeiture .....	25
55. Surrender of shares .....	26
56. Transfer of certificated shares .....	26
57. Transfer of uncertificated shares .....	27
58. Society consent to a transfer of shares .....	27
59. Transmission of shares .....	27
60. Transmittees' rights .....	27
61. Exercise of transmittees' rights .....	27
62. Transmittees bound by prior notices .....	28
63. Special resolution matters .....	28
64. Procedure for disposing of fractions of shares .....	28
65. Procedure for declaring dividends .....	29
66. Calculation of dividends .....	29
67. Payment of dividends and other distributions .....	30
68. Deductions from distributions in respect of sums owed to the Company .....	30
69. No interest on distributions .....	31
70. Unclaimed distributions .....	31
71. Non-cash distributions .....	31
72. Waiver of distributions .....	32
73. Authority to capitalise and appropriation of capitalised sums .....	32
74. Members can call general meeting if not enough directors .....	33
75. Special notice .....	33

76. Attendance and speaking at general meetings .....	33
77. Quorum for general meetings.....	34
78. Chairing general meetings .....	34
79. Attendance and speaking by directors and non-members.....	34
80. Adjournment .....	34
81. Postponement .....	35
82. Errors and disputes .....	36
83. Demanding a poll.....	36
84. Procedure on a poll .....	37
85. Content of proxy notices.....	37
86. Delivery of proxy notices .....	38
87. Amendments to resolutions .....	39
88. No voting of shares on which money owed to Company .....	39
89. Class meetings .....	39
90. Means of communication to be used.....	40
91. Deemed receipt .....	40
92. Failure to notify contact details .....	41
93. Company seals.....	41
94. Destruction of documents.....	42
95. Right to inspect accounts and other records .....	43
96. Provision for employees on cessation of business .....	43
97. Indemnity and insurance .....	43
Schedule 1 .....	Memorandum of understanding between the Society Board and the Board
.....	<b>Error! Bookmark not defined.</b>

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**ARTICLES OF ASSOCIATION**

**of**

**AFCW PLC  
(Company)**

(as amended by special resolution on .....)

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**PRELIMINARY**

**1. Articles of association of the Company**

The provisions set out in this document, as amended from time to time, comprise the articles of association of the Company. None of the relevant model articles (within the meaning of s 20(2) CA 2006) nor any other model articles of association or regulations set out in any statute or subordinate legislation concerning companies apply to the Company<sup>1</sup>.

**2. Defined terms**

In these articles, unless the context requires otherwise, the following words, expressions and abbreviations have the following meanings:

**A Ordinary Share** means A ordinary shares of £0.01 each in the capital of the Company from time to time;

**AFC Wimbledon** means AFC Wimbledon, the football club.

**AFC Wimbledon Women** means AFC Wimbledon Women Ltd, registered in England and Wales with company number 05552051.

**alternate** or **alternate director** has the meaning given in article 31;

**appointor** has the meaning given in article 31;

**bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**Board** means the board of the Directors from time to time of the Company;

**CA 2006** means the Companies Act 2006;

**call** has the meaning given in article 47.1;

**call notice** has the meaning given in article 47.1;

**certificate** means a paper certificate evidencing a person's title to specified shares or other securities;

**certificated** means, in relation to a share, that it is not an uncertificated share;

**chair** has the meaning given in article 15;

**chair of the meeting** has the meaning given in article 78;

**Companies Acts** means the Companies Acts (as defined in s 2 CA 2006), in so far as they apply to the Company;

**Company's lien** has the meaning given in article 45;

**Connected** has, in relation to a person, the meaning given in section 1122 of the Corporation Tax Act 2010;

**director** means a director of the Company, and includes any person occupying the position of director, by whatever name called;

**distribution recipient** has the meaning given in article 67;

**document** includes, unless otherwise specified, any document sent or supplied in electronic form;

**electronic form** has the meaning given in s 1168 CA 2006;

**eligible director** means, in relation to a matter, a director who is or would be entitled (a) to vote on that matter at a directors' meeting; and (b) to have that vote counted;

**fully paid**, in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

**hard copy form** has the meaning given in s 1168 CA 2006;

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

**holding company** has the meaning given in s 1159 CA 2006;

**instrument** means a document in hard copy form;

**lien enforcement notice** has the meaning given in article 46;

**member** has the meaning given in s 112 CA 2006;

**Non-Society Members** means the members other than the Society;

**Ordinary Shares** means ordinary shares of £0.01 each in the capital of the Company from time to time;

**ordinary resolution** has the meaning given in s 282 CA 2006;

**paid** means paid or credited as paid;

**participate**, in relation to a directors' meeting, has the meaning given in article 11;

**partly paid** in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the Company;

**proxy notice** has the meaning given in article 85;

**rearranged meeting** has the meaning given in article 81;

**securities seal** has the meaning given in article 41.2.1;

**shares** means shares in the capital of the Company;

**Society** means Wimbledon Football Club Supporters' Society Limited, registered under the Industrial and Provident Societies Acts 1965 - 1978 with registered number IP29337R";

**Society Board** means the Society Board of the Society (as appointed in accordance with the Rules of the Society);

**Society Directors** means members of the Society Board;

**special resolution** has the meaning given in s 283 CA 2006;

**subsidiary** has the meaning given in s 1159 CA 2006;

**transmittee** means a person entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law;

**uncertificated** means, in relation to a share, that title to that share is evidenced and may be transferred without a certificate by virtue of legislation (other than s 778 CA 2006) permitting title to shares to be evidenced and transferred without a certificate;

**working day** has the meaning given in s 1173(1) CA 2006; and

**writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

### **3. Interpretation**

3.1 Headings used in these articles are for convenience only and do not affect their construction.

3.2 In these articles, unless the context requires otherwise:

- 3.2.1 words or expressions in these articles and not defined in article 2 bear the same meanings as in the CA 2006;
- 3.2.2 a reference to any statute or statutory provision includes a reference to any subordinate legislation made under it from time to time and to any consolidation, re-enactment, modification or replacement of any statute, statutory provision or subordinate legislation for the time being in force; and
- 3.2.3 words in the singular include the plural and the plural include the singular and reference to one gender includes all genders.

#### **4. Liability of members**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **5. Directors' general authority**

Subject to these articles and in particular **Error! Reference source not found.**, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

#### **6. Members' reserve power**

- 6.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 6.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

#### **7. Power to delegate**

- 7.1 Subject to these articles, the directors may delegate any of the powers which are conferred on them under these articles:
  - 7.1.1 to such person or committee;
  - 7.1.2 by such means (including by power of attorney);
  - 7.1.3 to such an extent;
  - 7.1.4 in relation to such matters or territories; and
  - 7.1.5 on such terms and conditions;as they think fit.
- 7.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.



7.3 The directors may revoke any delegation, in whole or part, or alter its terms and conditions.

## **8. Committees**

8.1 Committees to which the directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of these articles and the CA 2006 which govern the taking of decisions by directors.

8.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **9. Directors to take decisions collectively**

9.1 Decisions of the directors may be taken:

9.1.1 at a directors' meeting; or

9.1.2 by way of a directors' written resolution.

### **10. Calling a directors' meeting**

10.1 Any director may call a directors' meeting.

10.2 The company secretary must call a directors' meeting if a director so requests.

10.3 A directors' meeting is called by giving notice of the meeting to the directors.

10.4 Notice of any directors' meeting must indicate:

10.4.1 its proposed date and time;

10.4.2 where it is proposed to take place; and

10.4.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

10.5 Notice of a directors' meeting must be given to each director, but need not be in writing.

10.6 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before, or not more than seven days after, the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting or of any business conducted at it.

### **11. Participation in directors' meetings**

11.1 Subject to these articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

11.1.1 the meeting has been called and takes place in accordance with these articles; and

11.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

11.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

11.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **12. Quorum for directors' meetings**

12.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

12.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than four or more than twelve and, unless otherwise fixed, it is four (including one from the Society Board).

## **13. Number of directors and the Board**

13.1 Subject to the provisions of this article 13, unless and until otherwise determined by an ordinary resolution of the Company the number of directors shall not be less than the quorum fixed in accordance with article 12.2 (including two from the Society Board) and not more than twelve.

13.2 The continuing directors may act notwithstanding any vacancy in their body, provided that if the number of the directors be less than the prescribed quorum the remaining director or directors shall forthwith appoint an additional director or additional directors to make up such minimum or shall convene a general meeting of the Company for the purpose of making such appointment. If there be no director or directors able or willing to act then any two members may summon a general meeting for the purpose of appointing directors. Any additional director so appointed shall (subject to the provisions of the CA 2006 and these articles of association) hold office only until the dissolution of the Annual General Meeting of the Company next following such appointment unless he is re-elected during such meeting and he shall not retire by rotation at such meeting or be taken into account in determining the rotation of retirement of directors at such meeting.

13.3 For so long as the Company shall remain a subsidiary of the Society:

13.3.1 the directors shall be appointed on terms agreed and approved by the Society Board;

13.3.2 the Board will be made up as follows: an AFC Wimbledon chair as appointed from time to time by the Society Board, three directors who are Society Board members and up to eight directors who are either directors representing minority shareholders and/or non-executive directors appointed for specific knowledge and experience. Any subsidiary of the Company shall also have the same requirements for its board of directors, except for AFC Wimbledon Women, which must have one member of the Society Board and one member of the Board represented on its board of directors; and

13.3.3 in the event that the number of Society Directors on the Board shall fall below a majority in number of the Directors, for whatever reason, the provisions of article 13.2 shall apply mutatis mutandis.

#### **14. Meetings where total number of directors less than quorum**

- 14.1 This article 14 applies where the total number of directors for the time being is less than the quorum for directors' meetings.
- 14.2 If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.
- 14.3 If there is more than one director:
- 14.3.1 a directors' meeting may take place, if it is called in accordance with these articles and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and
- 14.3.2 if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.

#### **15. Chairing of directors' meetings**

- 15.1 The Society Board may appoint a director to chair meetings of the directors.
- 15.2 The person so appointed for the time being is the **chair**.
- 15.3 The directors may appoint other directors as deputy or assistant chairs to chair directors' meetings in the chair's absence or unwillingness to chair a meeting.
- 15.4 The directors may terminate the appointment of the chair, or any deputy or assistant chair, at any time.
- 15.5 If the directors have not appointed a chair, or the chair is unwilling to chair the meeting, or is not participating in a directors' meeting within 10 minutes of the time at which it was to start, then any participating director appointed as a deputy or assistant chair as contemplated by article 15.3 may chair the meeting, failing which the participating directors must appoint one of themselves to chair it.

#### **16. Voting at directors' meetings: general rules**

- 16.1 Subject to these articles:
- 16.1.1 a decision is taken at a directors' meeting by a majority of the votes of the participating directors; and
- 16.1.2 each director participating in a directors' meeting has one vote.
- 16.2 Notwithstanding article 16.1.1 above, where all directors of the Company present at such meeting who are also Society Board directors vote against any proposal, that proposal will fail irrespective of the votes in favour.

#### **17. Chairman's casting vote at directors' meetings**

If the numbers of votes for and against a proposal are equal, the chair or other director chairing the meeting does not have a casting vote.

## **18. Proposing directors' written resolutions**

- 18.1 Any director may propose a directors' written resolution.
- 18.2 The company secretary must propose a directors' written resolution if a director so requests.
- 18.3 A directors' written resolution is proposed by giving notice of the proposed resolution to the directors.
- 18.4 Notice of a proposed directors' written resolution must indicate:
  - 18.4.1 the proposed resolution, and
  - 18.4.2 the time by which it is proposed that the directors should adopt it.
- 18.5 Notice of a proposed directors' written resolution must be given in writing to each director.
- 18.6 Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

## **19. Adoption of directors' written resolutions**

- 19.1 Subject always to article 16.2, a proposed directors' written resolution is adopted when all eligible directors have signed one or more copies of it, provided that those eligible directors would have formed a quorum at such a meeting.
- 19.2 It is immaterial whether any eligible director signs the resolution before or after the time by which the notice proposed that it should be adopted.
- 19.3 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles.
- 19.4 The company secretary must ensure that the company keeps a record, in writing, of all directors' written resolutions for at least ten years from the date of their adoption.

## **20. Directors' discretion to make further rules**

Subject to these articles, the directors may make any rule which they think fit as to how they take decisions and how such rules are to be recorded or communicated to directors.

## **DIRECTORS' CONFLICTS OF INTEREST**

### **21. Conflicts of interest: situational conflicts**

- 21.1 The directors may, subject to the CA 2006 and this article 21, authorise any matter which would or might otherwise result in a director breaching his or her duty under s 175 CA 2006 to avoid a conflict of interest.
- 21.2 Any authorisation under this article 21 is effective only if:
  - 21.2.1 any requirement as to the quorum in relation to the decision to authorise that matter is met without counting the director in question or any other interested director; and

21.2.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

21.3 Any authorisation given pursuant to article 21.1:

21.3.1 may be given subject to any terms or conditions which the directors think fit, whether at the time of authorisation or subsequently; and

21.3.2 may be varied or revoked at any time, although this will not affect anything done by a director in accordance with the terms of that authorisation prior to that variation or revocation.

## **22. Conflicts of interest: transactional conflicts and associated companies**

22.1 Provided a director has declared the nature and extent of any direct or indirect interest in accordance with the requirements of s 177 and/or s 182 CA 2006 (as applicable), that director:

22.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested; and

22.1.2 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 holding company or subsidiary of the Company or any other body corporate in which the Company is interested.

## **23. Conflicts of interest: voting and permitted benefits**

23.1 Subject to these articles, a director may be counted in the decision-making process for quorum and voting purposes in respect of any matter in which he or she has, or may have, directly or indirectly, an interest or duty which conflicts, or possibly may conflict, with the interests of the Company, provided that he or she has:

23.1.1 where required, obtained authorisation in respect of that matter either from the directors pursuant to article 21 or from the members (and, in either case, the terms of that authorisation do not provide to the contrary); and/or

23.1.2 made any declaration of interest required by s 177 and/or s 182 CA 2006 in respect of that matter.

23.2 Subject to article 23.3, if a question arises at a meeting of the directors (or committee of directors) as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any director other than the chair is to be final and conclusive.

23.3 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

23.4 Unless he or she agrees otherwise, a director will not by reason of that office be accountable to the Company for any remuneration, profit or other benefit derived by that director from any conflict matter authorised by the directors pursuant to article 21 or by the members or permitted by article 22 and no

transaction or arrangement permitted by article 22 will be liable to be avoided on the grounds of a director being a party to or otherwise interested in it.

## **APPOINTMENT OF OFFICERS**

### **24. Methods of appointing directors**

24.1 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

24.1.1 by ordinary resolution; or

24.1.2 by a decision of the directors.

24.2 Without prejudice to the power of the Company pursuant to these articles the directors shall have power at any time to appoint any person either to fill a casual vacancy or as an addition to the Board. Subject to the provisions of the CA 2006 and of these articles, any director so appointed shall hold office only until the dissolution of the annual general meeting of the Company next following such appointment. Such director will be eligible to stand for re-election and if at this meeting re-elected shall not retire by rotation at such meeting or be taken into account in determining the rotation of retirement of directors at such meeting.

24.3 All directors should submit themselves for election by shareholders at the first opportunity after their appointment (unless such appointment was by shareholders), and should not remain in office for longer than three years since their last election or re-election without submitting themselves for re-election pursuant to this article or article 24.2. At each annual general meeting, the directors subject to retirement in accordance with article 25 shall retire from office. A director retiring at such meeting shall retain office until the dissolution of such meeting and accordingly on retiring a director who is re-elected or deemed to have been re-elected will continue in office without a break.

### **25. Retirement of directors by rotation**

The directors to retire by rotation shall include any director who wishes to retire and not to offer himself for re-election and any director who has been, or who by the time of the next annual general meeting will have been, in office for three or more years. In so far as the number of directors retiring as calculated above is less than one-third of the directors or if their number is not three or a multiple of three the number nearest to but not exceeding one third the director(s) who have been longest in office shall also retire. As between two or more directors who have been in office an equal length of time, the director to retire shall in default of agreement between them be determined by lot. The length of time a director has been in office shall be computed from the date of his last election or appointment when he has previously vacated office. A retiring director shall be eligible for re-election except that for any director who has been in office continually for 9 years after December 2022 they shall be ineligible to stand for re-election for one year after reaching that 9 year point.

### **26. Termination of director's appointment**

26.1 A person ceases to be a director as soon as:

26.1.1 if appointed as a Society Director that person ceases to be a Society Director for whatever reason;

- 26.1.2 that person ceases to be a director by virtue of any provision of the CA 2006 or is prohibited from being a director by law;
- 26.1.3 a bankruptcy order is made against that person;
- 26.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 26.1.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
- 26.1.6 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

## **27. Majority power to appoint and remove directors**

27.1 In addition to the means of appointment and termination of appointment of directors in articles 24 and 26 respectively, a member or members for the time being holding a simple majority of shares in the Company may at any time and from time to time:

27.1.1 appoint any one or more persons who are so willing to act as a director or directors of the Company, whether as additional or replacement director(s); and

27.1.2 remove any director (whether appointed pursuant to article 24, article 27.1.1 or otherwise) from office,

in each case, by notice in writing to the Company signed by or on behalf of the member or members making such appointment or effecting such removal and providing that such appointment(s) and/or removal(s) result in a Board that complies with the other requirements of these articles.

27.2 An appointment or removal under article 27.1 takes effect from the time that the notice is left at, or otherwise delivered to the Company's registered office, or at such later time (if any) specified in that notice.

27.3 In article 27.1, reference to a member or members holding a simple majority of shares in the Company is reference to a member or members holding a simple majority of the total voting rights of members who would have been entitled to vote on the matter had it been proposed as a resolution of the members.

## **28. Directors' remuneration**

28.1 Directors may undertake any services for the Company that the directors decide.

28.2 Directors are entitled to such remuneration as the directors determine:

28.2.1 for their services to the Company as directors; and

28.2.2 for any other service which they undertake for the Company.

28.3 Subject to these articles, a director's remuneration may:

28.3.1 take any form; and

28.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

28.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

## **29. Directors' expenses**

29.1 The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

29.1.1 meetings of directors or committees of directors;

29.1.2 general meetings; or

29.1.3 separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## **30. Company secretary**

Subject to the CA 2006, the secretary of the Company 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.

## **ALTERNATE DIRECTORS**

### **31. Appointment and removal of alternates**

31.1 Any director (**appointor**) may appoint as an alternate (**alternate** or **alternate director**) any other director, or any other person approved by resolution of the directors, to:

31.1.1 exercise that director's powers; and

31.1.2 carry out that director's responsibilities

in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

31.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

31.3 The notice must:

31.3.1 identify the proposed alternate; and

31.3.2 in the case of a notice of appointment, contain a statement of willingness to act as the director's alternate, signed by the proposed alternate.

31.4 An alternate director may be appointed as alternate for more than one director.



## **32. Rights and responsibilities of alternate directors**

- 32.1 An alternate director has the same rights in relation to any directors' meeting or directors' written resolution as the alternate's appointor.
- 32.2 Except as otherwise specified in these articles, alternate directors:
- 32.2.1 are deemed for all purposes to be directors;
  - 32.2.2 are liable for their own acts and omissions;
  - 32.2.3 are subject to the same restrictions as their appointors; and
  - 32.2.4 are not deemed to be agents of or for their appointors.
- 32.3 Subject to these articles, a person who is an alternate director may:
- 32.3.1 in the absence of that person's appointor, be counted as participating in a directors' meeting for the purposes of determining if there is a quorum and may vote on any matter at that meeting; and
  - 32.3.2 sign a directors' written resolution, but only if it not signed or to be signed by that person's appointor,  
  
but only if that person's appointor would have been eligible to participate in the meeting for the purposes of determining if there is a quorum and/or to vote on a relevant matter, or to sign the directors' written resolution, as the case may be.
- 32.4 A person appointed as an alternate for more than one director is entitled:
- 32.4.1 at a directors' meeting, to one vote in respect of each appointor who is not participating at the meeting; and
  - 32.4.2 to sign a directors' written resolution on behalf of each appointor who does not or is not to sign it,  
  
but only if the relevant appointor would have been eligible to vote had that appointor been participating in the meeting, or to sign the directors' written resolution, as the case may be.
- 32.5 Notwithstanding article 32.4, a person appointed as an alternate for more than one director will not count as more than one director for the purposes of determining whether a quorum is, or in the case of a directors' written resolution would have been, participating at the meeting.
- 32.6 The participation rights of a person who is a director of the Company and who has also been appointed as an alternate for one or more other directors under this article 32 are in addition to that person's own rights (if any) as a director to vote at a director's meeting or to sign a directors' written resolution, but such person will not count as more than one director for the purposes of determining whether a quorum is, or in the case of a directors' written resolution would have been, participating at a meeting.
- 32.7 A director who has appointed an alternate does not need to sign a directors' written resolution under article 19 if the alternate, acting in that capacity, has signed the written resolution. The requirement

under article 19 for a written resolution to be signed by all eligible directors will be construed accordingly.

- 32.8 An alternate director is not entitled to receive any remuneration from the Company for serving as such, except for such part (if any) of the appointor's remuneration as the appointor may direct by notice in writing to the Company.

### **33. Termination of alternate directorship**

- 33.1 An alternate director's appointment as an alternate terminates:

33.1.1 when the appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

33.1.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

33.1.3 on the death of the appointor; or

33.1.4 when the appointor's appointment as a director terminates.

## **BORROWING**

### **34. Power to borrow**

- 34.1 Subject as provided in this Article 34 and in article 36.4, the directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property (present or future) and uncalled capital, or any part thereof, and subject to the provisions of the CA 2006 to issue debentures and other securities, and upon such terms as to time of repayments, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as they may think proper, including a right for the holders of bonds, debentures or securities to exchange the same for shares in the Company of any class authorised to be issued. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries and subsidiary undertakings so as to secure (as regards subsidiaries and subsidiary undertakings so far as by such exercise they can secure) that at the time when the borrowings are incurred the aggregate amount owing by the group (being the Company and all its subsidiaries and subsidiary undertakings), in respect of moneys borrowed (exclusive of moneys borrowed by the Company or any of its subsidiaries and subsidiary undertakings from any other of such companies) shall not without the previous sanction of the Company in general meeting exceed a sum equal to two times the equity shareholders' funds.

- 34.2 No debt incurred or security given in respect of money's borrowed in excess of the limit imposed by this article 34 shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security at the time when the debt was incurred or security given that the limit had been or would thereby be exceeded but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

## **SHARE CAPITAL**

### **35. Authorised share capital**

35.1 The Ordinary Shares and the A Ordinary Shares shall have the following rights and be subject to the following restrictions:

#### 35.1.1 Income

The A Ordinary Shares shall rank pari passu in all respects as to dividend with the Ordinary Shares.

#### 35.1.2 Capital

On any return of capital on liquidation or otherwise the A Ordinary Shares shall rank pari passu in all respects with the Ordinary Shares with regard to the distribution of the surplus assets of the Company.

#### 35.1.3 Voting

- (a) Subject to article 35.1.3(b), the holders of the shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. Save, in each case, as provided otherwise in the CA 2006:
  - (i) every holder of A Ordinary Share(s) who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall upon a show of hands have one vote and every holder of A Ordinary Shares present in person or by duly authorised representative as aforesaid or by proxy shall upon a poll have one vote for every A Ordinary Share held by him; and
  - (ii) every holder of Ordinary Share(s) who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall upon a show of hands have three votes and every holder of Ordinary Shares present in person or by duly authorised representative as aforesaid or by proxy shall upon a poll have three votes for every Ordinary Share held by him.
- (b) At a general meeting, on a show of hands, subject to any rights or restrictions attached to any shares, the Society which is present by a duly authorised representative or by proxy shall have the higher of 50.01% of the voting rights attaching to all shares and the voting rights attaching to the shares held by the Society and the Non-Society Members shall have the balance of the voting rights attaching to all shares proportionally to the number and class of shares held by each Non-Society Member in accordance with article 35.1.3(a); on a poll the Society which is present by a duly authorised representative or by proxy shall have the higher of 50.01% of the voting rights attaching to all shares and the voting rights attaching to the shares held by the Society and the Non-Society Members shall have the balance of the voting rights attaching to all shares proportionally to the number and class of shares held by each Non-Society Member in accordance with article 35.1.3(a); and on a vote on a written resolution, the Society which is present by a duly authorised representative or by proxy

shall have the higher of 50.01% of the voting rights attaching to all shares and the voting rights attaching to the shares held by the Society and the Non-Society Members shall have the balance of the voting rights attaching to all shares proportionally to the number and class of shares held by each Non-Society Member in accordance with article 35.1.3(a).

- (c) The voting rights conferred on the shares held by each of the Non-Society Members (together with their Connected persons) pursuant to articles 35.1.3(a) and 35.1.3(b) shall be restricted to the lower of 15% of the voting rights attaching to all shares and the number of votes allocated pursuant to article 35.1.3(b).

#### 35.1.4 Transfer of Shares

- (a) The directors may, in their absolute discretion and without assigning any further reason therefore refuse to register any share transfer unless:-
  - (i) it is in respect of a fully paid share;
  - (ii) it is in respect of a share on which the Company does not have a lien;
  - (iii) it is in favour of not more than four joint holders as transferees; and
  - (iv) the conditions referred to in this article 35.1.4 have been satisfied in respect thereof.
- (b) Provided that the Board shall not refuse to register any transfer or renunciation of partly paid shares on the grounds that they are partly paid shares and circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis; and
- (c) If the directors decline to register a transfer they shall, within two months after the date on which the instrument of transfer was lodged, send to the transferee notice of the refusal.

## SHARES

### 36. Power to issue different classes of share

- 36.1 Subject to these articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by special resolution.
- 36.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 36.3 Where the equity capital of the Company includes shares which do not carry voting rights the designation of such shares will include the words "non-voting". Where the equity capital of the Company includes shares with different voting rights, the designation of each class of share other than those with the most favourable voting rights will include the words "restricted voting" or "limited voting".

36.4 The Board shall not approve any of the following matters without the prior authority of the Company by special resolution:

36.4.1 the issue of new shares of any class or grants of any rights over shares;

36.4.2 any borrowings exceeding £100,000 except in the case of replacement of existing facilities;

36.4.3 the creation of any mortgage, charge or any encumbrance or security interest of any substantial assets of the Company or any group company;

36.4.4 the sale or lease of the Plough Lane Stadium or any group company;

36.4.5 the sale of AFC Wimbledon or AFCW Stadium Limited or the whole or a substantial part of any of their businesses

### **37. Alteration of share capital**

In exercising the power of the Company under s 618 CA 2006, a resolution of the members to authorise a sub-division of shares may provide, as between the shares resulting from the sub-division, for any of them to have a preference or advantage or any other differing right, as compared with the others.

### **38. Payment of commissions on subscription for shares**

38.1 The Company may pay any person a commission in consideration for that person:

38.1.1 subscribing, or agreeing to subscribe, for shares; or

38.1.2 procuring, or agreeing to procure, subscriptions for shares.

38.2 Any such commission may be paid:

38.2.1 in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other; and

38.2.2 in respect of a conditional or an absolute subscription.

### **39. Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust and, except as otherwise required by law or these articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

## **SHARE CERTIFICATES**

### **40. Certificates to be issued except in certain cases**

40.1 The Company must issue each member with one or more certificates in respect of the shares which that member holds.

40.2 This article 40 does not apply to:

40.2.1 uncertificated shares; or

40.2.2 shares in respect of which the Companies Acts permit the Company not to issue a certificate.

40.3 Except as otherwise specified in these articles, all certificates must be issued free of charge.

40.4 No certificate may be issued in respect of shares of more than one class.

40.5 If more than one person holds a share, only one certificate may be issued in respect of it.

#### **41. Contents and execution of share certificates**

41.1 Every certificate must specify:

41.1.1 in respect of how many shares, of what class, it is issued;

41.1.2 the nominal value of those shares;

41.1.3 the amount paid up on them; and

41.1.4 any distinguishing numbers assigned to them.

41.2 Certificates must:

41.2.1 have affixed to them the Company's common seal or an official seal which is a facsimile of the Company's common seal with the addition on its face of the word **Securities** (a **securities seal**); or

41.2.2 be otherwise executed in accordance with the Companies Acts.

#### **42. Consolidated share certificates**

42.1 When a member's holding of shares of a particular class increases, the Company may issue that member with:

42.1.1 a single, consolidated certificate in respect of all the shares of a particular class which that member holds; or

42.1.2 a separate certificate in respect of only those shares by which that member's holding has increased.

42.2 When a member's holding of shares of a particular class is reduced, the Company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the Company need not (in the absence of a request from the member) issue any new certificate if:

42.2.1 all the shares which the member no longer holds as a result of the reduction; and

42.2.2 none of the shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate.

- 42.3 A member may request the Company, in writing, to replace:
- 42.3.1 the member's separate certificates with a consolidated certificate; or
  - 42.3.2 the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.
- 42.4 When the Company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.
- 42.5 A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the Company for cancellation.

### **43. Replacement share certificates**

- 43.1 If a certificate issued in respect of a member's shares is:
- 43.1.1 damaged or defaced; or
  - 43.1.2 said to be lost, stolen or destroyed,
- that member is entitled to be issued with a replacement certificate in respect of the same shares.
- 43.2 A member exercising the right to be issued with such a replacement certificate:
- 43.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - 43.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 43.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

### **44. Uncertificated shares**

- 44.1 In this article 44, the **relevant rules** are:
- 44.1.1 any applicable provision of the Companies Acts about the holding, evidencing of title to, or transfer of shares other than in certificated form; and
  - 44.1.2 any applicable legislation, rules or other arrangements made under or by virtue of such provision.
- 44.2 The provisions of this article 44 have effect subject to the relevant rules.
- 44.3 Any provision of these articles which is inconsistent with the relevant rules must be disregarded, to the extent that it is inconsistent, whenever the relevant rules apply.
- 44.4 Any share or class of shares of the Company may be issued or held on such terms, or in such a way, that:

- 44.4.1 title to it or them is not, or must not be, evidenced by a certificate; or
- 44.4.2 it or they may or must be transferred wholly or partly without a certificate.
- 44.5 The directors have power to take such steps as they think fit in relation to:
  - 44.5.1 the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares);
  - 44.5.2 any records relating to the holding of uncertificated shares;
  - 44.5.3 the conversion of certificated shares into uncertificated shares; or
  - 44.5.4 the conversion of uncertificated shares into certificated shares.
- 44.6 The Company may by notice to the holder of a share require that share:
  - 44.6.1 if it is uncertificated, to be converted into certificated form, and
  - 44.6.2 if it is certificated, to be converted into uncertificated form,to enable it to be dealt with in accordance with these articles.
- 44.7 If:
  - 44.7.1 these articles give the directors power to take action, or require other persons to take action, to sell, transfer or otherwise dispose of shares; and
  - 44.7.2 uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument,the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares.
- 44.8 In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.
- 44.9 Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.
- 44.10 A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

## **PARTLY PAID SHARES**

### **45. Company's lien over partly paid shares**

- 45.1 The Company has a lien (the **Company's lien**) over every share which is partly paid for any part of:
  - 45.1.1 that share's nominal value; and



45.1.2 any premium at which it was issued

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

45.2 The Company's lien over a share:

45.2.1 takes priority over any third party's interest in that share; and

45.2.2 extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.

45.3 The directors may at any time decide that a share which is or would otherwise be subject to the Company's lien will not be subject to it, either wholly or in part.

#### **46. Enforcement of the Company's lien**

46.1 Subject to the provisions of this article 46, if:

46.1.1 notice of enforcement of the Company's lien (a **lien enforcement notice**) has been given in respect of a share; and

46.1.2 the person to whom the lien enforcement notice was given has failed to comply with it,

the Company may sell that share in such manner as the directors decide.

46.2 A lien enforcement notice:

46.2.1 may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

46.2.2 must specify the share concerned;

46.2.3 must require payment of the sum payable within 14 days of the lien enforcement notice;

46.2.4 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

46.2.5 must state the Company's intention to sell the share if the lien enforcement notice is not complied with.

46.3 Where shares are sold under this article 46:

46.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

46.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

- 46.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 46.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice;
- 46.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate(s) for the shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.
- 46.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's lien on a specified date:
- 46.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- 46.5.2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share.

#### **47. Call notices**

- 47.1 Subject to these articles and the terms on which shares are allotted, the directors may send a notice (a **call notice**) to a member requiring the member to pay the Company a specified sum of money (a **call**) which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.
- 47.2 A call notice:
- 47.2.1 may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium);
- 47.2.2 must state when and how any call to which it relates is to be paid; and
- 47.2.3 may permit or require the call to be paid by instalments.
- 47.3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the call notice was sent.
- 47.4 Before the Company has received any call due under a call notice the directors may:
- 47.4.1 revoke it wholly or in part; or
- 47.4.2 specify a later time for payment than is specified in the call notice
- by a further notice in writing to the member in respect of whose shares the call is made.

#### **48. Liability to pay calls**

- 48.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 48.2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 48.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them:
- 48.3.1 to pay calls which are not the same; or
- 48.3.2 to pay calls at different times.

**49. When a call notice need not be issued**

- 49.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
- 49.1.1 on allotment;
- 49.1.2 on the occurrence of a particular event; or
- 49.1.3 on a date fixed by or in accordance with the terms of issue.
- 49.2 If the due date for payment of such a sum mentioned in article 49.1 has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

**50. Failure to comply with a call notice: automatic consequences**

- 50.1 For the purposes of this article 50:
- 50.1.1 the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the **call payment date** is that later date;
- 50.1.2 the **relevant rate** is:
- (a) the rate fixed by the terms on which the share in respect of which the call is due was allotted;
- (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or
- (c) if no rate is fixed in either of these ways, 5% per annum.
- 50.2 If a person is liable to pay a call and fails to do so by the call payment date:
- 50.2.1 the directors may issue a notice of intended forfeiture to that person; and

50.2.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

50.3 The relevant rate must not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

50.4 The directors may waive any obligation to pay interest on a call wholly or in part.

## **51. Notice of intended forfeiture**

51.1 A notice of intended forfeiture:

51.1.1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

51.1.2 must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;

51.1.3 must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice;

51.1.4 must state how the payment is to be made; and

51.1.5 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

## **52. Directors' power to forfeit shares**

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

## **53. Effect of forfeiture**

53.1 Subject to these articles, the forfeiture of a share extinguishes:

53.1.1 all interests in that share, and all claims and demands against the Company in respect of it; and

53.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

53.2 Any share which is forfeited in accordance with these articles:

53.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

53.2.2 is deemed to be the property of the Company; and

53.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

53.3 If a person's shares have been forfeited:

53.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;

53.3.2 that person ceases to be a member in respect of those shares;

53.3.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;

53.3.4 that person remains liable to the Company for all sums payable by that person under these articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and

53.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

53.4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

#### **54. Procedure following forfeiture**

54.1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

54.2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:

54.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

54.2.2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share.

54.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

54.4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

54.4.1 was, or would have become, payable, and

54.4.2 had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

## **55. Surrender of shares**

55.1 A member may surrender any share:

55.1.1 in respect of which the directors may issue a notice of intended forfeiture;

55.1.2 which the directors may forfeit; or

55.1.3 which has been forfeited.

55.2 The directors may accept the surrender of any such share.

55.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.

55.4 A share which has been surrendered may be dealt with by the Company in the same way as a share which has been forfeited.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **56. Transfer of certificated shares**

56.1 Certificated shares may be transferred by means of an instrument of transfer in any usual form, or any other form approved by the directors, which is executed by or on behalf of the transferor and (if any share is partly paid), the transferee.

56.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

56.3 The Company may retain any instrument of transfer which is registered.

56.4 The transferor remains the holder of a certificated share until the transferee's name is entered in the register of members as its holder.

56.5 The directors may refuse to register the transfer of a certificated share if:

56.5.1 the share is not fully paid;

56.5.2 the transfer is not lodged at the company's registered office or such other place as the directors have appointed;

56.5.3 the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;

56.5.4 the transfer is in respect of more than one class of share; or

56.5.5 the transfer is in favour of more than four transferees.

56.6 If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless the directors suspect that the proposed transfer may be fraudulent.

**57. Transfer of uncertificated shares**

Subject to article 58, a transfer of an uncertificated share must not be registered if it is in favour of more than four transferees.

**58. Society consent to a transfer of shares**

The directors shall refuse to register the transfer of both certificated shares and uncertified shares without the prior written consent of the Society where:

58.1.1 the proposed transferee is not a member; and/or

58.1.2 the proposed transferee (together with their Connected persons) would, following the transfer, hold 15% or more of the voting rights attaching to all shares.

**59. Transmission of shares**

59.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

59.2 Nothing in these articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

**60. Transmittees' rights**

60.1 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

60.1.1 may, subject to these articles, choose either to become the holder of those shares or to have them transferred to another person; and

60.1.2 subject to these articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

60.2 Transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

**61. Exercise of transmittees' rights**

61.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing.

61.2 If the share is a certificated share and a transmittee wishes to have it transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

61.3 If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must:

61.3.1 procure that all appropriate instructions are given to effect the transfer; or

61.3.2 procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it.

61.4 Any transfer made or executed under this article 61 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

## **62. Transmittees bound by prior notices**

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee (or other person to whom the shares are transferred pursuant to articles 61.2 or 61.3) is bound by the notice if it was given to the member before the name of the transmittee (or that other person) has been entered in the register of members.

## **CONSOLIDATION OF SHARES**

### **63. Special resolution matters**

63.1 The Company may only:

63.1.1 Consolidate the shares;

63.1.2 sub-divide the shares

63.1.3 repurchase the shares; or

63.1.4 reduce its share capital,

by a special resolution of the members.

### **64. Procedure for disposing of fractions of shares**

64.1 This article 63 applies where:

64.1.1 there has been a consolidation or division of shares; and

64.1.2 as a result, members are entitled to fractions of shares.

64.2 The directors may:

64.2.1 sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable;

64.2.2 in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and

64.2.3 distribute the net proceeds of sale in due proportion among the holders of the shares.



- 64.3 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.
- 64.4 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 64.5 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **65. Procedure for declaring dividends**

- 65.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 65.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 65.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.
- 65.4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.
- 65.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 65.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 65.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

### **66. Calculation of dividends**

- 66.1 Except as otherwise provided by these articles or the rights attached to shares, all dividends must be:
- 66.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
- 66.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 66.2 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

66.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

## **67. Payment of dividends and other distributions**

67.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:

67.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

67.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

67.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

67.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

67.2 In these articles, the **distribution recipient** is, in respect of a share in respect of which a dividend or other sum is payable:

67.2.1 the holder of the share; or

67.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

67.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

## **68. Deductions from distributions in respect of sums owed to the Company**

68.1 If:

68.1.1 a share is subject to the Company's lien; and

68.1.2 the directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

68.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

68.3 The Company must notify the distribution recipient in writing of:

68.3.1 the fact and amount of any such deduction;

68.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and

68.3.3 how the money deducted has been applied.

**69. No interest on distributions**

69.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

69.1.1 the terms on which the share was issued; or

69.1.2 the provisions of another agreement between the holder of that share and the Company.

**70. Unclaimed distributions**

70.1 All dividends or other sums which are:

70.1.1 payable in respect of shares; and

70.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.

70.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

70.3 If:

70.3.1 12 years have passed from the date on which a dividend or other sum became due for payment; and

70.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

**71. Non-cash distributions**

71.1 Subject to its terms of issue, the Company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

71.2 If the shares in respect of which such a non-cash distribution is paid are uncertificated, any shares in the Company which are issued as a non-cash distribution in respect of them must be uncertificated.

71.3 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

71.3.1 fixing the value of any assets;

71.3.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

71.3.3 vesting any assets in trustees.

## **72. Waiver of distributions**

72.1 Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if:

72.1.1 the share has more than one holder; or

72.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

## **CAPITALISATION OF PROFITS**

### **73. Authority to capitalise and appropriation of capitalised sums**

73.1 Subject to these articles, the directors may, if they are so authorised by an ordinary resolution:

73.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account, capital redemption reserve, redenomination reserve or any other reserve; and

73.1.2 appropriate any sum which they so decide to capitalise (a **capitalised sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (the **persons entitled**) and in the same proportions.

73.2 Capitalised sums must be applied:

73.2.1 on behalf of the persons entitled; and

73.2.2 in the same proportions as a dividend would have been distributed to them.

73.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

73.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

73.4.1 in or towards paying up any amounts unpaid on existing shares held by the person entitled; or

73.4.2 in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

73.5 Subject to these articles the directors may:

73.5.1 apply capitalised sums in accordance with articles 73.3 and 73.4 partly in one way and partly in another;

73.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article 73 (including the issuing of fractional certificates or the making of cash payments); and

73.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article 73.

## **DECISION-MAKING BY MEMBERS**

### **74. Members can call general meeting if not enough directors**

74.1 If:

74.1.1 the Company has fewer than two directors, and

74.1.2 the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

74.2 then two or more members may call a general meeting (or instruct the company secretary to do so) for the purpose of appointing one or more directors.

### **75. Special notice**

Where by any provision contained in the CA 2006 special notice is required of a resolution, the resolution shall not be effective unless notice of the intention to move it has been given to the Company not less than twenty-eight clear days (or such shorter period as the CA 2006 permits) before the meeting at which it is moved, and the Company shall give to its members, subject as in these articles provided, notice of any such resolution as provided by the CA 2006.

### **76. Attendance and speaking at general meetings**

76.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

76.2 A person is able to exercise the right to vote at a general meeting when:

76.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

76.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

76.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

76.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

76.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

#### **77. Quorum for general meetings**

No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. A quorum for any meeting of members must include the Society present by an authorised representative or by proxy.

#### **78. Chairing general meetings**

78.1 If the directors have appointed a chair, the chair will chair general meetings if present and willing to do so.

78.2 If the directors have not appointed a chair, or if the chair is unwilling to chair a general meeting or is not present within ten minutes of the time at which a general meeting was due to start:

78.2.1 the directors present; or

78.2.2 (if no directors are present), the meeting

must appoint a director or member to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

78.3 The person chairing a general meeting in accordance with this article 78 is referred to as the **chair of the meeting**.

#### **79. Attendance and speaking by directors and non-members**

79.1 Directors may attend and speak at general meetings, whether or not they are members of the Company.

79.2 The chair of the meeting may permit other persons who are not:

79.2.1 members of the Company; or

79.2.2 otherwise entitled to exercise the rights of members in relation to general meetings

to attend and speak at a general meeting.

#### **80. Adjournment**

80.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.

80.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:

80.2.1 the meeting consents to an adjournment; or

80.2.2 it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

80.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.

80.4 When adjourning a general meeting, the chair of the meeting must:

80.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and

80.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

80.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (excluding the day of the adjourned meeting and the day on which the notice is given) to the same persons to whom notice of the Company's general meetings is required to be given, containing the same information which such notice is required to contain.

80.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **81. Postponement**

81.1 If after giving notice of a general meeting the directors decide that it is impracticable to hold the general meeting at the place or time or on the date stated in the notice, they may move the general meeting to another place and/or postpone it to another time and/or date (a rearranged meeting).

81.2 Where the directors decide to move or postpone a general meeting pursuant to article 81.1:

81.2.1 they must give to the same persons to whom notice of the Company's general meetings is required to be given notification of the revised place, time and/or date of the rearranged meeting but, subject to article 81.3, notice of the business to be transacted need not be given again; and

81.2.2 for the purposes of article 85, the time for delivery of a proxy notice in respect of the rearranged meeting must not be less than 48 hours before the rearranged meeting.

81.3 If a rearranged meeting is to take place more than 14 days after the date stated in the original notice of general meeting to which that rearranged meeting relates, the Company must give at least seven clear days' notice of the rearranged meeting (excluding the day of the rearranged meeting and the day on which the notice is given):

81.3.1 to the same persons to whom notice of the Company's general meetings is required to be given; and

81.3.2 containing the same information which such notice is required to contain.

- 81.4 No business may be transacted at a rearranged meeting which could not properly have been transacted at the meeting had it not been moved and/or postponed.
- 81.5 The directors may also move the place and/or postpone the time and/or date of any rearranged meeting, pursuant and subject to this article 81.

## **VOTING AT GENERAL MEETINGS**

### **82. Errors and disputes**

- 82.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 82.2 The accidental omission to send a notice to or the non-receipt of any notice by any member or any director or the auditors shall not invalidate the proceedings at any general meeting.
- 82.3 Any such objection must be referred to the chair of the meeting, whose decision is final.
- 82.4 In the case of a resolution duly proposed as a special resolution or extraordinary resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

### **83. Demanding a poll**

- 83.1 A poll on a resolution may be demanded:
- 83.1.1 in advance of the general meeting where it is to be put to the vote; or
  - 83.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 83.2 A poll may be demanded by:
- 83.2.1 the chair of the meeting;
  - 83.2.2 the directors;
  - 83.2.3 the Society;
  - 83.2.4 two or more persons having the right to vote on the resolution;
  - 83.2.5 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution; or
  - 83.2.6 a person or persons holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right.
- 83.3 A demand for a poll may be withdrawn if:



83.3.1 the poll has not yet been taken; and

83.3.2 the chair of the meeting consents to the withdrawal.

83.4 Where a demand for a poll is withdrawn:

83.4.1 this will not invalidate the result of a show of hands declared before the demand was made; and

83.4.2 if the demand was made before the declaration of the result of a show of hands, the meeting will continue as if the demand had not been made.

#### **84. Procedure on a poll**

84.1 Subject to these articles, polls at general meetings must be taken when, where and in such manner as the chair of the meeting directs.

84.2 The chair of the meeting may appoint scrutineers (who need not be members) and decide how and when the result of the poll is to be declared.

84.3 The result of a poll will be the decision of the meeting in respect of the resolution on which the poll was demanded.

84.4 A poll on:

84.4.1 the election of the chair of the meeting; or

84.4.2 a question of adjournment,

must be taken immediately.

84.5 Other polls must be taken within 30 days of their being demanded.

84.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.

84.7 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.

84.8 In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.

#### **85. Content of proxy notices**

85.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:

85.1.1 states the name and address of the member appointing the proxy;

85.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

85.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

85.1.4 is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.

85.2 The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.

85.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

85.4 Unless a proxy notice indicates otherwise, it must be treated as:

85.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

85.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **86. Delivery of proxy notices**

86.1 Any notice of a general meeting must specify the address or addresses (**proxy notification address**) at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

86.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

86.3 Subject to articles 86.4 and 86.5, a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.

86.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a proxy notification address not less than 24 hours before the time appointed for the taking of the poll.

86.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the proxy notice must be delivered:

86.5.1 in accordance with article 86.3; or

86.5.2 at the meeting at which the poll was demanded to the chair, secretary or any director.

86.6 An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.

86.7 A notice revoking a proxy appointment only takes effect if it is delivered before:

86.7.1 the start of the meeting or adjourned meeting to which it relates; or

86.7.2 (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.

86.8 If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **87. Amendments to resolutions**

87.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

87.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and

87.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.

87.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

87.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

87.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

87.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

## **88. No voting of shares on which money owed to Company**

No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts due and payable to the Company in respect of that share have been paid.

## **89. Class meetings**

89.1 The provisions of these articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

89.2 Subject to the provisions of the CA 2006, if at any time the capital of the Company is divided into different classes of shares, all or any of the rights or privileges attached to any class may be varied or abrogated either while the Company is a going concern or during or in contemplation of a winding up (a) in such manner (if any) as may be provided by such rights, or (b) in the absence of any such provision either with the consent in writing of the holders of at least 75% of the nominal amount of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued shares of that class, but not otherwise. The creation or issue of shares ranking *pari passu* with or subsequent to the shares of any class shall not (unless otherwise expressly provided by these articles or the rights attached to such last mentioned shares as a class) be deemed to be a variation of the rights of such shares.

- 89.3 Article 89.2 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights whereof are to be varied.
- 89.4 Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the Company shall be deemed to be varied or abrogated by the reduction of capital paid up on such shares or by the allotment of further shares ranking in priority thereto for payment of a dividend or repayment of capital.
- 89.5 Any meeting for the purpose of the last preceding article shall be convened and conducted in all respects as nearly as possible in the same way as an extraordinary general meeting of the Company (save for the requirement for the Society to be present to constitute a quorum), provided that no member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he be a holder of shares of the class the rights or privileges attached to which are intended to be varied or abrogated by the resolution, and that no vote shall be given except in respect of a share of that class, and that the quorum at any such meeting shall be at least two persons present holding or representing by proxy at least one-third in nominal value of the issued shares of the class, and at an adjourned meeting one person holding shares of the class in question or his proxy and that a poll may be demanded in writing by any member present in person or by proxy and entitled to vote at the meeting.

## **MISCELLANEOUS PROVISIONS**

### **90. Means of communication to be used**

90.1 Subject to these articles:

90.1.1 any document or information sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the CA 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company; and

90.1.2 any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

90.2 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

### **91. Deemed receipt**

91.1 Any document or information sent or supplied by the Company will be deemed to have been received by the intended recipient:

91.1.1 where delivered by hand to an address in the United Kingdom, at the time of delivery to that address (or, if the day on which it is delivered is not a working day, at 09:00 on the next working day);

91.1.2 where sent by first-class post to an address in the United Kingdom, and the Company is able to show that it was properly addressed, prepaid and posted, 24 hours after it was posted;

91.1.3 where sent by international mail to an address outside the United Kingdom, and the Company is able to show that it was properly addressed, prepaid and posted, 72 hours after it was posted;

91.1.4 where sent or supplied by electronic means, and the Company is able to show that it was properly addressed, 12 hours after it was sent;

91.1.5 where sent or supplied by means of a website:

(a) when the material was first made available on the website; or

(b) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

91.2 In calculating a period of hours for the purposes of article 91.1, no account will be taken of any part of a day that is not a working day.

91.3 The Company is not required to investigate or ascertain actual receipt by an intended recipient of any document or information, by whatever means sent or supplied.

## **92. Failure to notify contact details**

92.1 If:

92.1.1 the Company sends two consecutive documents to a member over a period of at least 12 months; and

92.1.2 each of those documents is returned undelivered, or the company receives notification that it has not been delivered,

that member ceases to be entitled to receive notices from the Company.

92.2 A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company:

92.2.1 a new address to be recorded in the register of members; or

92.2.2 if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

## **93. Company seals**

93.1 Any common seal may only be used by the authority of the directors.

93.2 The directors may decide by what means and in what form any common seal or securities seal is to be used.

93.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

- 93.4 For the purposes of this article 93, an authorised person is:
- 93.4.1 any director of the Company;
  - 93.4.2 the company secretary; or
  - 93.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.
- 93.5 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors.
- 93.6 If the Company has a securities seal, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary.
- 93.7 For the purposes of these articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs.

#### **94. Destruction of documents**

- 94.1 The Company is entitled to destroy:
- 94.1.1 all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration;
  - 94.1.2 all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded;
  - 94.1.3 all share certificates which have been cancelled from one year after the date of the cancellation;
  - 94.1.4 all paid dividend warrants and cheques from one year after the date of actual payment; and
  - 94.1.5 all proxy notices from one year after the end of the meeting to which the proxy notice relates.
- 94.2 If the Company destroys a document in good faith, in accordance with the articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that:
- 94.2.1 entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;
  - 94.2.2 any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
  - 94.2.3 any share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and

94.2.4 any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

94.3 This article 94 does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so.

94.4 In this article 94, references to the destruction of any document include a reference to its being disposed of in any manner.

#### **95. Right to inspect accounts and other records**

Subject to the CA 2006, the directors shall from time to time determine whether and to what extent and at what time and places, and under what conditions or regulations the accounting records of the Company, or any of them, shall be open to the inspection of the members, and no member shall have any right of inspecting any accounting record or other document of the Company except as conferred by statute or authorised by the directors or by the Company in a general meeting. The register of members shall be open for inspection by any member or other person entitled to inspect the same, and any person other than a member inspecting the same shall pay a fee of £0.05 or such other fee as may be prescribed by the Secretary of State from time to time.

#### **96. Provision for employees on cessation of business**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **97. Indemnity and insurance**

97.1 Without prejudice to any other indemnity to which a relevant officer may be entitled the directors may, subject to article 97.3, exercise the power of the Company to indemnify a relevant officer out of the Company's assets against:

97.1.1 any liability incurred by that relevant officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

97.1.2 any liability incurred by that relevant officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in s 235(6) CA 2006);

97.1.3 any other liability incurred by that relevant officer as an officer of the Company or an associated company.

97.2 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

97.3 This article 97 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

97.4 In this article 97:

97.4.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

97.4.2 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company, but excluding in each case an auditor of the Company or an associated company.



# Schedule 1 Memorandum of Understanding between the Society Board and AFCW PLC Board

## DIRECTORS' GENERAL AUTHORITY

- 1) Subject to the articles, the directors are responsible for the management of the Club's business, for which purpose they may exercise all the powers of the Club
- 2) Without Prejudice to the above, and without limitation any of the matters reserved to the Board as annexed hereto at Schedule 1 may be approved by the Board subject to additional shareholder approval as required by this Schedule.
- 3) The Board's authority is limited to the degree as set out below.
- 4) AFCW PLC Board shall not take any action nor pass any resolution without the prior written consent of the Society Board in any matter that pertains or relates to:
- 5) Restricted Actions

Action
Any action that results in the Society's voting capacity in AFCW plc falling below 75% +1 share
Sale of any freehold interest in Plough Lane
Any ground relocation from Plough Lane
Creation of any new leasehold interest in Plough Lane
Any issue of new shares in AFCW plc, or transfer of existing Society shares in AFCW plc, to 3 <sup>rd</sup> parties
Any alteration in the ownership or corporate status of any subsidiary company that increases the influence of 3 <sup>rd</sup> parties over any of those companies vis-a-vis the Society
Setting up any new subsidiary company that is not 100% owned by AFCW plc
Creating any agreement in respect of Plough Lane to leave the club having less favourable terms in respect of length of tenure, rights or rents paid
Name of the Club including nickname, or its status with the FA
The primary colours of the Club (yellow and blue)
The Club and associated subsidiary badges and crests
Borrowing against the security of the freehold at Plough Lane

## 6) Non-Restricted Actions

- a. Investigating opportunities to undertake Restricted Actions are not Restricted Actions in themselves provided that:
  - i. such investigations do not commit the Company or its subsidiaries to undertake Restricted Actions
  - ii. the Board takes reasonable steps to ensure that relevant 3<sup>rd</sup> parties are aware of the requirement for Society Board approval of Restricted Actions and the Society Board are made aware of the investigations before the next Board meeting;
- b. In accordance with this Schedule the following matters can be discussed by AFCW PLC Board but any decision must then be approved by the Society Board.

Action
Agreeing a ground share to leave the club not having less favourable terms in respect of length of tenure, rights or rents paid
Engaging in commercial activity with an organisation or industry that might directly hinder performance, image, brand, or reputation of the Club
Changing the Club charter
Annual budget for the Club
Significant investment decisions eg capital expenditure over 7.5% of the previous year's turnover in the AFCW plc accounts
One off revenue windfalls, eg player sales, cup prize money over 7.5% of the previous year's turnover in the AFCW plc accounts
General price rises of greater than inflation eg tickets, merchandise, food and beverage
Extension of the Club's activities into significant new business areas and any decision to cease to operate all or any significant part of the Club's business

7) Any other matter not listed in clause 5 or 6 above, may be discussed and appropriate actions taken by the AFCW PLC Board without the consent of the Society Board.