

Company Number: 89767

The Companies Acts 1985 & 1989  
COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION  
(Pursuant to s.380(1) of the Companies Act 1985)

OF

SOUTHEND UNITED FOOTBALL CLUB LIMITED

\*\*\*\*\*

Passed 2 December 1999

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At an ANNUAL GENERAL MEETING of the above named Company, duly convened, and held at Southend United Training Ground, Eastern Avenue, Southend on Sea, Essex, on 2nd day of December 1999 the subjoined SPECIAL RESOLUTION was duly passed, viz:-

SPECIAL RESOLUTION

THAT the regulations contained in the printed document produced to the Meeting and signed, for the purposes of identification, by the Chairman of the Meeting be adopted as the Articles of Association of the Company in substitution for the regulations contained or incorporated in the present Articles of Association of the Company.

Signature: .....  
Chairman



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COMPANIES HOUSE

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22/02/00

The Companies Acts 1985 and 1989

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**COMPANY LIMITED BY SHARES**

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**NEW  
ARTICLES OF ASSOCIATION  
OF  
SOUTHEND UNITED FOOTBALL CLUB LIMITED**

[Adopted by special resolution passed on 21/2 1999]

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Incorporated 3 August 1906  
Company Number 89767

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**TITMUSS SAINER DECHERT**  
2 Serjeants' Inn  
London  
EC4Y 1LT

Ref: C79/SB14-002/057269  
Date: 09.06.1999

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**THE COMPANIES ACTS 1985 AND 1989**

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**PUBLIC COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

of

**THE SOUTHEND UNITED FOOTBALL CLUB LIMITED**

(Adopted by special resolution passed on 1999)

**GENERAL**

1. (A) The Rules and Regulations of the Football Association for the time being shall be deemed to be incorporated herewith and shall prevail in the event of any conflict with the provisions of these articles.
- (B) No proposed alteration to these article shall be effective unless the proposed alteration has been approved in writing by The Football Association 14 days or more before the day on which the alteration is proposed to take place.

**INTERPRETATION**

2. In these Articles:

- (A) unless the context otherwise requires:

"Act" means the Companies Act 1985 (including any modification or re-enactment for time being in force);

"these Articles" means these articles of association as they may be altered from time to time;

"Appropriate Rate" has the meaning attributed thereto in section 107 of the Act;

"Auditors" means the auditors (for the time being of the Company);

"Board" means the Directors or any of them acting as the board of directors of the Company;

"business day"	means a day (not being a Saturday or Sunday) on which clearing banks are open for business in London;
"clear days"	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Directors"	means the directors for the time being of the Company;
"The Football Association"	means The Football Association Limited;
"holder"	in relation to a share means the member whose name is entered in the register as the holder of that share;
"member"	means a member of the Company;
"month"	means a calendar month;
"Office"	means the registered office for the time being of the Company;
"Register"	means the register of members of the Company (required to be kept pursuant to section 352 of the Act);
"Seal"	means the common seal of the Company;
"Statutes"	means the Act and every other Act of Parliament and statutory instrument relating to companies and affecting the Company;
"United Kingdom"	means Great Britain and Northern Ireland;
in writing"	means written, printed, typewritten, sent or received by facsimile, photographed or lithographed or expressed in all or any of these or any other modes representing or reproducing words;

(B) any reference to:

- (i) "dividend" includes bonus;
- (ii) the "secretary" includes (subject to the Statutes) any assistant or deputy secretary of the Company appointed pursuant to these Articles and any person duly appointed by the Directors to perform any of the duties of the secretary of the Company and, where two or more persons are duly appointed to act as joint secretaries of the Company, includes any one of those persons;

- (iii) "Paid up" includes credited as paid-up;
- (C) words denoting the singular number also include the plural number and vice versa, words denoting one gender include the others and words denoting persons include individuals, corporations and unincorporated associations;
- (D) words and expressions defined in the Statutes shall, unless the context otherwise requires, have the same meanings in these Articles;
- (E) the headings in these Articles are for ease of reference only and shall not affect construction;
- (F) any reference to any statute or statutory provision shall be construed as a reference to such statute or statutory provision as amended, re-enacted or replaced from time to time;
- (G) where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose; and
- (H) in these Articles:
  - (i) powers of delegation shall not be restrictively construed but the widest interpretation shall be given thereto;
  - (ii) the word Board in the context of the exercise of any power contained in these Articles includes any committee consisting of one or more Directors, any Director holding executive office and any local or divisional board, manager or agent of the Company to which or, as the case may be, to whom the power in question has been delegated;
  - (iii) no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
  - (iv) except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of power.

## SHARE CAPITAL

### Capital

3. The authorised share capital of the Company at the date of adoption of these Articles is £304,000 divided into 1,216,000 ordinary shares of 25 pence each. Without prejudice to any special rights for the time being conferred on the holders of any class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is provided for in Article 9 of any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, return of capital, voting or otherwise at the Company may from time by Ordinary Resolution direct, or failing such direction (but in the case of unclassified shares only) as the Directors shall determine.

### Allotment of shares

4. (A) Subject to any direction or authority contained in the resolution of the Company relating to any authority to allot relevant securities, all of the shares of the Company for the time being unissued shall be under the control of the Directors who are generally and unconditionally authorised for the purposes of section 80 of the Act, to allot (with or without conferring a right of renunciation), grant options or rights of subscription or conversion over, offer or otherwise deal with or dispose of the same to or in favour of such persons, on such terms and conditions at a premium or at par and at such times at the Directors think fit but so that no shares shall be issued at a discount.
- (B) The Board may at any time after the allotment of a share but before a person has been entered in the Register as the holder of the share recognise a renunciation of the share by the allottee in favour of another person and may grant to an allottee a right to effect a renunciation on such terms and conditions as the Board thinks fit.
- (C) The authority granted to the Directors under Article 4(A):-
- (i) shall not permit the Directors to allot or to grant options or rights of subscription or conversion over shares to an aggregate amount of more than the unissued share capital at the date of adoption of these articles or (if such authority is renewed or varied by the company in general meeting) the amount specified in the resolution for such renewal or variation;

- (ii) shall expire not more than five years from the date of the adoption of these articles or (if such authority is renewed or varied by the company in general meeting) on the date specified in the resolution on which the renewed or varied authority shall expire;
  - (iii) may be renewed, revoked or varied at any time by the company in general meeting;
  - (iv) shall permit the directors after the expiry of the period of the said authority to allot any shares or grant any such rights in pursuance of an offer or agreement so to do made by the company within that period.
- (D) In exercising their authority under this article 4 the directors shall not be required to have regard to section 89(1) and section 90(1) to (6) (inclusive) of the Act which sections shall be excluded from applying to the company.

### **Redeemable shares**

5. The Company may:-

- (A) create shares which are, or at the option of the Company or the holder are to be liable, to be redeemed, subject to and in accordance with the provisions of the Statutes and on such terms and in such manner as be set out in these articles (as amended from time to time) or as to the date on or by which or the dates between which the shares are to be or may be redeemed) as may be determined by the directors prior to the date of issue;
- (B) purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such ordinary or special resolution as may be required by the Act;
- (C) to the extent permitted by section 171 of the Act, make a payment in respect of the redemption or purchase of any of its own shares (including any redeemable shares) otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

### **Payment of commission**

6. In addition to all other powers of paying commissions, the Company may exercise the powers conferred by the Statutes of paying commissions to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in the Company or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company. Provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and shall not exceed 10 per cent. of the price at which the shares in respect whereof the commission is paid are issued or an amount equivalent. Subject to the provisions of the Statutes, such commission may be satisfied by payment of cash or (with the sanction of an ordinary resolution of the Company) the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.



## **VARIATION OF RIGHTS**

### **Consent to variation**

7. Subject to the provisions of the Statutes, 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 whilst 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 % (seventy-five per cent.) of the nominal amount of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting (convened and conducted pursuant to the provisions of Article 75) 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. A reduction of the capital paid up on any shares of any class will not be deemed to constitute a variation or abrogation of the rights attached to those shares. A purchase or redemption by the Company of any of its own shares in accordance with the provisions of the Act and of these Articles shall not be deemed to be a variation of the rights attaching to any shares.

## **SHARE CERTIFICATES**

### **Member's right to share certificates and time for delivery**

8. Every member, upon becoming the holder of any shares shall be entitled, without payment, to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the Board may from time to time determine. Every certificate shall be issued within one month after allotment or lodgement with the Company of the transfer of the shares, not being a transfer which the Company is for any reason entitled to refuse to register and does not register and shall be executed under the Seal or in such other manner as the Board may approve and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. Shares of different classes may not be included in the same certificate. The Company shall not be bound to register more than four persons as the Joint holders of any share or shares and, in the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery for all.

### **Instalments to be treated as calls and Power to differentiate**

13. If by the terms of any prospectus, listing particulars or any other document relating to an issue of shares in the Company or by the conditions of allotment any amount is payable in respect of any shares by instalments, every such instalment shall be payable as if it were a call duly made by the Directors of which due notice had been given. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

### **When interest on calls or instalment payable**

14. If the call or instalment payable in respect of any share is not paid on or before the day appointed for payment thereof, the person from whom the amount of the call or instalment is due shall pay interest on the unpaid amount at such rate as may be fixed by the terms of allotment of the share or, if no rate is fixed, at the Appropriate Rate from the time appointed for payment thereof until the actual payment thereof, and shall not receive any dividend in respect of the amount unpaid. The Board may waive payment of the interest in whole or in part.

### **Payment of calls in advance**

15. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the money unpaid upon the shares held by him beyond the sums actually called up; and upon the money paid in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance shall have been made, the Company may pay interest at such rate (not exceeding, without the sanction of the Company given by ordinary resolution, the Appropriate Rate) as the member paying such sum in advance and the Directors agree upon. A payment in advance of calls extinguishes to the extent of the payment the liability of the member on the shares in respect of which it is made.

### **Sums due on allotment to be treated as calls**

16. Any sum which by or pursuant to the terms of allotment of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by or pursuant to the terms of allotment the same becomes payable and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

## **FORFEITURE OF SHARES**

### **If call or instalment not paid, notice may be given**

17. If any member fails to pay the whole or any part of any call or instalment on or before the day appointed for the payment thereof, the Directors may, at any time thereafter during such time as the call or instalment or any part thereof remains unpaid, serve a

notice on such member or on a person entitled by transmission to the relevant share requiring him to pay such call or such part thereof as remains unpaid, together with any interest that may have accrued thereon and all costs, charges and expenses incurred by the Company by reason of such non-payment.

#### **Form of notice**

18. The notice shall name the day (not being less than fourteen days after the date of service of the notice) on and the place at which such call or instalment (or such part thereof as remains unpaid) and such interest, costs, charges and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

#### **If notice not complied with, shares may be forfeited**

19. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice shall have been given may at any time thereafter, and before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared or other amounts payable in respect of the forfeited shares and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.

#### **Forfeited shares to become the property of the Company**

20. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share or the person entitled by transmission to the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give notice as aforesaid. Subject to the provisions of the Statutes, any share so forfeited and the rights attaching to it shall be deemed to be the property of the Company, no voting rights shall be exercised in respect thereof and the Directors may within three years of such forfeiture sell, re-allot or otherwise dispose of the same in such manner as they think fit either to the person who was before the forfeiture the holder thereof or to any other person, and either with or without any past or accruing dividends and, in the case of re-allotment, with or without any money paid thereon by the former holder being credited as paid-up thereon. The Directors may, if necessary, authorise some person to execute a transfer of a forfeited share to any such other person as aforesaid. Any share not disposed of in accordance with the foregoing within a period of three years from the date of its forfeiture shall thereupon be cancelled in accordance with the provisions of the Statutes.

### **Directors' power to annul forfeiture**

21. The Directors may at any time, before any share so forfeited shall have been cancelled or sold allotted or otherwise disposed of, annul the forfeiture upon such conditions as they think fit.

### **Arrears to be paid notwithstanding forfeiture**

22. A member whose shares have been forfeited shall thereupon cease to be a member in respect of such shares but shall nevertheless remain liable to pay (and shall forthwith pay) to the Company all calls, instalments, interest, costs, charges and expenses owing upon or in respect of such shares at the time of forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as may be fixed by the terms of allotment of the shares or, if no rate is so fixed, at the Appropriate Rate, and the Directors may enforce payment thereof if they think fit without any allowance for the value of the shares at the time of forfeiture.

### **Statutory Declaration by Director as to forfeiture**

23. A statutory declaration in writing that the declarant is a Director or the secretary of the Company and that a share has been duly forfeited in pursuance of these Articles, and stating the time when it was forfeited, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated and such declaration and the receipt by the Company of a duly sealed certificate of proprietorship of the share delivered to a purchaser or allotted thereof, shall (subject to the execution of any necessary transfer) constitute a good title to the share, and the new holder thereof shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any omission, irregularity or invalidity in or relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

## **LIEN ON SHARES**

### **Company's lien on shares**

- 24 (A) The company shall have a first and paramount lien on every share for all monies (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.
- (B) The Company may sell in such manner as the directors determine any shares on which the company has a lien, provided all restrictions and all rights of pre-emption upon transfer set out in these articles are complied with, if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder demanding

payment and stating that if the notice is not complied with the shares may be sold.

- (C) To give effect to a sale the director may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- (D) The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

## **TRANSFER OF SHARES**

### **Members holdings**

- 25 (A) If any member shall at any time hold more than ten shares in the Company, he shall not be entitled to sell, dispose of, transfer, charge or otherwise deal with his shares unless the sale, disposition, transfer, charge or other dealing relates to at least ten of his shares.
- 25 (B) If any member shall at any time hold less than ten shares in the Company, he shall only be entitled to sell, dispose of, transfer, charge or otherwise deal with his shares if he sells, disposes of, transfers, charges or otherwise deals with all his shares at the same time.

### **Form of transfer**

- 25 (C) All transfers of shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee (but without prejudice to the right of the Directors if in any case they think fit to require such evidence as shall reasonably satisfy them that the transferee has agreed to become a member of the Company). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.

### **Directors power to refuse registration of transfers**

- 26. The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share whether or not it is a fully paid share. If the directors refuse to register a transfer of a share, they shall within two months of the date on which the transfer was lodged with company serve on the transferee notice of the refusal.

27. The Directors may also refuse to register a transfer unless: all of the following conditions are satisfied:

- (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 respect of only one class of share;
- (iv) it is in favour of a single transferee or renouncee or not more than four joint holders as transferees or renouncees;
- (v) it is duly stamped or duly certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty;
- (vi) the conditions in Articles 26 (A) and (B) have not been complied with;
- (vi) the conditions referred to in Article 27 have been satisfied in respect thereof.

### **Registration of transfers**

28. Every instrument of transfer must be left at the Office (or at such other place as the Directors may from time to time determine) to be registered, accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to prove the title of the transferee and the due execution by him or his duly authorised agent of the transfer. Thereafter, the Directors, subject to the power vested in them by Article 28, shall register the transferee as the holder.

### **No fees on registration**

29. No fee shall be chargeable by the Company for the registration of any instrument of transfer or other document relating to or affecting the title to any shares or the right to transfer the same or otherwise for making any entry in the Register.

### **Suspension of registration and closing of Register**

30. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine and either generally or in respect of any class of shares. The Register shall not be closed for more than thirty days in any year and notice of closure shall be given by advertisement in accordance with the Statutes.

### **Retention of instruments of transfer**

31. All instruments of transfer which are registered shall, subject to Article 33(A), be retained by the Company but any instrument of transfer which the Directors may refuse to register shall (except in the case of suspected fraud) be returned to the person depositing the same.

### Destruction of transfers and other documents

32. (A) The Company shall be entitled to destroy:

- (i) all instruments of transfer (including a document constituting the renunciation of an allotment of shares) which have been registered at any time after the expiration of six years from the date of registration thereof;
- (ii) all dividend mandates and any variations or cancellations thereof and all notifications of change of address at any time after the expiration of two years from the date of recording thereof;
- (iii) all share certificates which have been cancelled at any time after the expiration of one year from the date of such cancellation: and
- (iv) any other document on the basis of which any entry in the Register has been made at any time after the expiration of six years from the date on which an entry in the Register was first made in respect of it,

**PROVIDED ALWAYS THAT** any such instrument, mandate, variation, cancellation, notification, certificate, or other document may be destroyed before the expiration of the relevant period as aforesaid if an accurate, complete and legible copy thereof is retained on microfilm or any other mechanical or electronic method of recording and maintaining such copies.

(B) It shall conclusively be presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of a document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid and effective document duly and properly cancelled, that every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company **PROVIDED ALWAYS THAT:**

- (i) the provisions aforesaid shall apply only to the destruction of a document effected in good faith and without express notice to the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (ii) nothing contained in this Article 32 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (iii) references in this Article 32 to the destruction of a document include references to the disposal thereof in any manner.

## **TRANSMISSION OF SHARES**

### **Representatives of interest of deceased members**

33. In the case of the death of a member who holds the shares alone the executors or administrators of the deceased member shall be the only persons recognised by the Company as having any title to shares held by him; but, in the case of the death of a member who is a joint holder of the shares, the survivor or survivors only shall be recognised by the Company as being entitled to such shares. Nothing in this Article 33 shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

### **Election in case of death or bankruptcy of member**

34. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member may, upon such evidence being produced as may be required by the Directors, elect either to be registered as a member (in respect of which registration no fee shall be payable) by giving notice in writing to that effect or, without being so registered, execute a transfer to some other person who shall be registered as a transferee of such share and the execution of such a transfer shall signify his election as aforesaid; but the Directors shall in either case have the like power of declining or refusing to register such transfer as is provided with respect to ordinary transfers. The Directors may at any time give notice requiring any such person to elect as aforesaid and, if such notice is not complied with within sixty days, the Directors may thereafter withhold payment of all dividends and other moneys payable in respect of such share until compliance therewith.

### **Rights as to dividends and voting**

35. Any person becoming entitled to a share in consequence of the death or bankruptcy of any member (upon supplying to the Company such evidence as the Directors may reasonably require as to his title to the share) shall be entitled to receive and may give a discharge for all the benefits arising or accruing on the same including dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, unless and until he is registered as a member in respect of the share, be entitled in respect of it to receive notices of or to exercise or enjoy any right or privilege conferred by membership in relation to meetings of the Company such as attending and voting at meetings of the Company or at any separate meeting of the holders of any class of shares in the Company.

## **CONVERSION OF SHARES INTO STOCK**

### **Paid-up shares convertible into stock**

36. The Company may from time to time by ordinary resolution convert all or any fully paid-up shares into stock of the same class as the shares which shall be so converted and may from time to time in like manner reconvert such stock into fully paid-up shares of the same class and of any denomination. If and whenever any unissued shares of any class in the capital of the Company for the time being shall have been issued and be fully paid and at that time the shares of that class previously issued



shall stand converted into stock such further shares upon being fully paid, shall ipso facto, be converted into stock transferable in the same units as the existing stock of that class.

### **Transfer of stock**

37. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which any shares in the capital of the Company may be transferred, or as near thereto as circumstances admit, but the Directors may from time to time fix the minimum amount of stock transferable (which minimum shall not exceed the nominal amount of the shares from which the stock arose) and direct that fractions of that minimum shall not be transferred, but with power at their discretion to waive such rules in any particular case.

### **Privilege of stockholders**

38. The several holders of such stock shall be entitled to participate in the dividends and profits of the Company and its assets on a winding up according to the class of stock and the amount of their respective interests in such stock, and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company and for other purposes as would have been conferred by shares of the same class of equal amount in the capital of the Company, but so that none of such privileges or advantages, except the participation in the dividends and profits of the Company and in the assets of the Company on a winding up, shall be conferred by any such amounts of stock as would not, if existing in the shares, have conferred such privileges or advantages.

### **Definitions of "stock" and "stockholder"**

39. All such provisions of these Articles relating to shares as are applicable to fully paid-up shares shall apply to stock, and in all such provisions the words "share" and "shareholders" shall include "stock" and "stockholder". No such conversion shall affect or prejudice any preference or other special privilege.

## **INCREASE OF CAPITAL**

### **Increase of Capital**

40. The Company may, from time to time, by ordinary resolution, increase the capital by the creation of new shares.

### **Power to attach rights to new shares**

41. Subject to the provisions of the Statutes, any new shares in the capital of the Company may be allotted with such preferential right to dividend and such priority in the distribution of assets or subject to such postponement of dividends or in the distribution of assets and with or subject to such preferential or limited or qualified right of voting at general meetings as the Company may from time to time by ordinary resolution determine or, if no such determination be made, as the Directors shall determine, but so that the rights attached to any issued shares as a class shall not be varied except with the consent of the holders thereof duly given under the provisions of these Articles.

## **REDUCTION AND CANCELLATION OF CAPITAL**

### **Reduction of capital**

42. The Company may from time to time by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any manner authorised, and with, and subject to, any incident prescribed or allowed by the Statutes and the rights attached to existing shares.

### **Cancellation of capital**

43. The Company may by ordinary resolution cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal value of the shares so cancelled.

### **Purchase of own shares**

44. Subject to the provisions of the Act, the company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares.

## **GENERAL MEETINGS**

### **When annual general meetings to be held**

- 45.1 A general meeting shall be held in every year as the annual general meeting of the Company (and specified as such in the notice convening the meeting), at such time (within a period of not more than fifteen months after the holding of the last preceding annual general meeting) and place as may be determined by the Directors.
- 45.2 The general meetings referred to in this Article 45 shall be called annual general meetings. All other general meetings shall be called extraordinary general meetings.

### **When extraordinary general meetings to be called**

- 46 The Directors may call an extraordinary general meeting whenever they think fit and shall in any event do so when and in the manner required by the Act. Extraordinary general meetings shall also be convened on such requisition, or in default may be convened by such requisitionists, as provided by the Statutes. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum for a meeting of the Directors, any Director or any two members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors.

## **NOTICE OF GENERAL MEETINGS**

### **Notice of meetings**

- 47.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by not less than twenty one clear days' notice in writing.
- 47.2 All other extraordinary general meetings shall be called by not less than fourteen clear days' notice in writing.
- 47.3 Any notice shall specify the place, the day and hour of meeting and, in case of special business, the general nature of such business. The notice shall be given to the members (other than those who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive notice from the Company), to the Directors and to the Auditors.
- 47.4 A notice calling an annual general meeting shall specify the meeting as such and the notice convening a meeting to pass a special resolution or an extraordinary resolution as the case may be shall specify the intention to propose the resolution as such.

### **Omission to send notice**

- 48 The accidental omission to give notice' of a meeting or to send an instrument of proxy with a notice to a person entitled to receive the same when so required or the non receipt of a notice or instrument of proxy by any such person shall not invalidate the convening of or the proceedings at that meeting.

### **Meetings at short notice**

- 49 A general meeting shall, notwithstanding that it is called by shorter notice than that specified in Article 47, be deemed to have been duly called if it is so agreed: -
- (A) in the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and
  - (B) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting being a majority together

holding not less than 95 per cent, or (if an elective resolution as to the majority required to authorise short notice of meetings has been passed in accordance with the Act and remains in force) such lesser percentage as may be specified in the resolution or subsequently determined by the Company in general meeting being not less than 90 per cent, in nominal value of the shares giving a right to attend and vote at the meeting.

### Proxies

- 50 In every notice calling a meeting of the Company or of any class of the members of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him, and that a proxy need not also be a member.

## **PROCEEDINGS AT GENERAL MEETINGS**

### Quorum

- 51 Subject to the provisions of Article 52 in respect of adjourned meetings, for all purposes the quorum for a general meeting shall be not less than three persons present and entitled to vote upon the business in question. No business shall be transacted at any general meeting unless the requisite quorum shall be present when the meeting proceeds to business.

### Proceedings if quorum not present

- 52 If within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to such day and to such time and place as the chairman (or, in default, the Board) shall appoint. At any such adjourned meeting if a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

### Chairman

- 53 The chairman (if any) of the Board or, in his absence, the deputy chairman (if any) (to be chosen, if there be more than one, by agreement amongst them, or failing agreement, by lot), shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman, or if at any meeting neither is present within fifteen minutes after the time appointed for holding the meeting or neither is willing to act, the Directors present shall select one of their number to be chairman failing which the members present and entitled to vote shall choose one of their number to be chairman.

### **Power to adjourn meetings**

- 54 (A) The chairman of the meeting may, with the consent of the meeting (and shall, if so directed by the meeting) adjourn any meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (B) Without prejudice to any other power which he may have under the provisions of these Articles or at common law, the chairman of the meeting may, without the consent of the meeting, interrupt or adjourn a meeting from time to time and from place to place or for an indefinite period if he decides that it has become necessary to do so in order to:
- (i) seize the proper and orderly conduct of the meeting; or
  - (ii) give all persons entitled to do so a reasonable opportunity of speaking and voting at the meeting; or
  - (iii) ensure that the business of the meeting is properly disposed of.

### **When notice of adjourned meeting to be given**

- 55 Whenever a meeting is adjourned for thirty days or more not less than seven clear days' notice in writing specifying the place, the day and hour of the adjourned meeting shall be given to the members, the Directors and the Auditors, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, it shall not be necessary to give any notice of any adjourned meeting

### **Accommodation of members at meeting**

- 56 If it appears to the chairman of the meeting that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting is duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available to ensure that a member who is unable to be accommodated is able to:
- (i) participate in the business for which the meeting has been convened; and
  - (ii) hear and see all persons present who speak (whether by the use of microphones, loud-speakers, audio-visual communications equipment or otherwise), whether in the meeting place or elsewhere; and
  - (iii) be heard and seen by all other persons present in the same way.

## Security

- 57 The Board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The Board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

## Demand for poll

- 58 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

- (i) the chairman of the meeting; or
- (ii) not less than three members present in person or by proxy and entitled to attend and vote at the meeting; or
- (iii) a member or members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A demand for a poll may be withdrawn but only with consent of the chairman. A demand withdrawn in this way validates the result of a show of hands declared before the demand is made.

## Evidence of passing of resolution

- 59 Unless a poll is demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

## Casting vote

- 60 In the case of an equality of votes, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall, both on a show of hands and on a poll, have a casting vote in addition to the votes to which he may be entitled as a member.

### **Poll demanded by proxy**

- 61 A valid instrument appointing a proxy shall be deemed (unless the contrary is stated in it) to confer authority to demand or join in demanding a poll and, for the purposes of Article 58 a demand by a proxy for a member or other person entitled to vote shall be deemed to be a demand by that member or other person.

### **How poll to be taken**

- 62 (A) If a poll is demanded, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and, if so directed by the meeting, shall) appoint scrutineers, who need not be members, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
- (B) A poll demanded on the election of a chairman of a general meeting or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting or the adjourned meeting at which the poll was demanded) and place as the chairman of the meeting may direct. 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 announced. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

## **VOTING**

### **Votes of members**

- 63 (A) Subject to any special terms as to voting upon which any shares may have been issued or may for the time being be held or a suspension or abrogation of voting rights pursuant to these Articles, every member who being an individual is present in person or being a corporation is present by a representative or proxy not being himself a member shall upon a show of hands have one vote and every member present in person or by proxy shall upon a poll have one vote for every fully paid share of which he is holder.
- (B) A member in respect of whom an order has been made by a court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court. A guardian, receiver, curator bonis or such other person may, on a poll, vote by proxy if evidence (to the satisfaction of the Board) of the authority of the person claiming to exercise the right to vote is deposited at the Office (or at another place specified in accordance with these Articles for the deposit of instruments of proxy) within the time limits

prescribed by these Articles for the deposit of instruments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

### **Joint Owners**

- 64 If two or more persons are jointly entitled to shares for the time being conferring a right to vote, any one of such persons may vote at any meeting, either personally or by proxy, in respect thereof as if he were solely entitled thereto and, if more than one of such joint holders be present at any meeting, either personally or by proxy, the member whose name stands first on the Register as one of the holders of such shares, and no other, shall be entitled to vote in respect of the same.

### **When members not to vote**

- 65 No member shall, unless the Directors otherwise determine, be entitled to be present or to vote, either in person or by proxy, at any general meeting or at a separate meeting of the holders of any class of shares or upon any poll or to exercise any privilege as a member in relation to meetings of the Company in respect of any shares held by him ("**Relevant Shares**") if any calls or other moneys due and payable in respect of the Relevant Shares remain unpaid.

### **Votes may be given personally or by Proxy**

- 66 On a poll, votes may be given personally or by proxy and a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way.

### **Appointment of proxy to be in writing**

- 67 The instrument appointing a proxy shall be in writing in such form as shall be approved by the Directors, executed by or on behalf of the appointor or his duly authorised attorney or, if such appointor is a corporation, under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A proxy need not be a member of the Company. The Directors may, but shall not be bound to, require evidence of authority of such officer or attorney. An instrument of proxy need not be witnessed. Deposit of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or any adjournment thereof or on a poll.

### **Deposit of proxy form**

- 68 The instrument appointing a proxy, together with the power of attorney (if any) or other authority under which it is signed, or a notarially certified copy thereof, shall be deposited at the Office, or at such other place in the United Kingdom as is specified for that purpose in the notice of calling the meeting or in any instrument of proxy sent by the Company in relation to the meeting, not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote and, in default thereof such instrument shall not be treated as valid.



### **Validity of proxy form**

- 69 An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates. No instrument of proxy shall be valid after the expiry of twelve months from the date of its execution except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. When two or more instruments of proxy are received by the Company in respect of the same shareholder and the same meeting, then only the instrument bearing the latest date shall be valid. Where two or more such instruments bear the same date, only the latest to be received by the Company shall be accepted as the valid instrument of proxy provided that, if the Company is unable to determine which instrument was last delivered, then none shall be treated as valid.

### **When votes by proxy valid though authority revoked**

- 70 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the instrument of proxy or the authority under which it was executed or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, incapacity, revocation or transfer shall have been received at the Office (or such other place as specified for depositing the instrument of proxy) three hours at least before the time for holding the meeting or adjourned meeting or the holding of a poll subsequently thereto at which such vote is given.

### **Corporations acting by representatives**

- 71 Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meetings of the Company or of any class of members thereof and such corporation shall, for the purposes of these Articles, be deemed to be present in person at such meeting if a person so authorised is present thereat. Such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual shareholder, including power, when personally present, to vote on a show of hands. The Directors may, but shall not be bound to, require evidence of the authority of any person purporting to act as the representative of any such corporation.

### **Objections to and error in voting**

- 72 No objection may be made to the qualification of a voter or to the counting of, or failure to count, a vote, except at the meeting or adjourned meeting at which the vote objected to is tendered or at which the error occurs. An objection properly made shall be referred to the chairman of the meeting and only invalidates the result of the voting if, in the opinion of the chairman of the meeting, it is of sufficient magnitude to affect the decision of the meeting. The decision of the chairman of the meeting is conclusive and binding on all concerned.

### **Amendments to resolutions**

- 73 If an amendment proposed to a resolution under consideration is ruled out of order by the chairman of the meeting in good faith the proceedings on the substantive resolution are not invalidated by an error in his ruling.

### **Members' written resolutions**

- 74 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present is as effective as if it had been passed at a general meeting duly convened and held. The resolution in writing may consist of several instruments in the same form each duly executed by or on behalf of one or more members. If the resolution in writing is described as a special resolution or as an extraordinary resolution, it has effect accordingly.

## **CLASS MEETINGS**

### **Proceedings at meetings of classes of members**

- 75 Any meeting for the purposes of Article 7 shall be convened and conducted in all respects as nearly as possible in the same way as an extraordinary general meeting of the Company, provided that:
- (i) no member, not being a Director, shall be entitled to notice thereof or to attend thereat unless he is a holder of shares of the class the rights or privileges attached to which are intended to be varied or abrogated by the resolution,
  - (ii) no vote shall be given except in respect of a share of that class,
  - (iii) the quorum at any such meeting shall be two persons at least 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 present in person or his proxy, and
  - (iv) a poll may be demanded by any member present in person or by proxy and entitled to vote at the meeting and, on a poll, each member has one vote for every share of that class of which he is the holder.

## **DIRECTORS AND OTHER OFFICERS**

### **Number of Directors**

- 76 Unless and until otherwise determined by the Company in general meeting by ordinary resolution, the number of Directors shall not be less than two and no more than ten. The continuing Directors may act notwithstanding any vacancy in their body. If there be no Director or Directors able or willing to act, then any three members may summon a general meeting for the purpose of appointing Directors. Any additional Director so appointed shall (subject to the provisions of the Statutes and these Articles) hold office only until the dissolution of the annual general meeting of the Company next following such appointment unless he is reselected during such meeting.

### **Qualification of Directors and attendance at General Meetings and separate General Meetings**

#### **No share qualification**

- 77 A director or alternate director shall not require any share qualification and any director or alternate director who is not a member of the company shall nevertheless be entitled to receive notices of and attend and speak at any general meeting of the company and at any separate meeting of the holders of any class of shares in the company.

#### **Directors' power to fill casual vacancies**

- 78 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, but so that the total number of Directors shall not exceed any maximum number fixed in accordance with these Articles. Subject to the provisions of the Statutes 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 unless he is reselected during such meeting
- 79 A person may be appointed a director notwithstanding that he shall have attained the age of seventy years or any other age and no director shall be liable to vacate office by reason of his attaining that or any other age, nor shall special notice be required of any resolution appointing or approving the appointment of such a director or any notice be required to state the age of the person to whom such resolution relates.

#### **President**

- 80 (A) The Directors may, from time to time, appoint any person to be President of the Company. The President shall not, by virtue of his office, be deemed to be a Director of the Company, or be entitled to any remuneration. If he shall not be a Director of the Company he may at the request of the Directors attend meetings of the Directors for the purpose of giving advice and the Directors may remunerate the President in respect of advice and assistance from time to time given by him.

- (B) The person appointed to the position of President shall, upon notifying in writing his acceptance of the position to the Board of Directors, be the President of the Company for the remainder of his life, until he resigns from office, or until there is a unanimous decision of the Board of the Company to remove the President, whichever is the earlier.
- (C) The office of President shall not lapse because no person is appointed to hold that office.

## ALTERNATE DIRECTORS

### Appointment and revocation

- 81 (A) Any Director (other than an alternate Director) may by writing under his hand appoint (i) any other Director or (ii) any other person who is approved by the Board as hereinafter provided to be his alternate.
- (B) Every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Directors and all committees of the Board of which his appointor is a member and, in the absence from the Board of the Director appointing him, to attend and vote at meetings of the Directors, and to exercise all the powers, rights, duties and authorities of the Director appointing him.
- (C) A Director may at any time revoke the appointment of an alternate appointed by him and, subject to such approval as aforesaid where requisite, appoint another person in his place. If a Director shall die or cease to hold the office of Director, the appointment of his alternate shall thereupon cease and determine, provided always that if, any Director retires but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired. The appointment of an alternate director shall cease and determine on the happening (in relation to him) of any of those events described in Article 100(A) - 100(D)(inclusive).
- (D) An alternate Director need not hold a share qualification and shall not be counted in reckoning any maximum number of Directors allowed by these Articles for the time being. A Director acting as alternate shall have an additional vote at meetings of Directors for each Director for whom he acts as alternate but he shall count as only one for the purpose of determining whether a quorum be present.
- (E) Any appointment or removal of an alternate director shall be notified in writing to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.

### **Alternate to be responsible for his own acts**

- 82 Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults. He shall not be deemed to be the agent of or for the Director appointing him.

### **Remuneration of alternate**

- 83 An alternate Director is not entitled to a fee from the Company for his services as an alternate Director.

## **MANAGING AND EXECUTIVE DIRECTORS**

### **Appointment**

- 84 Subject to the provisions of the Statutes, the Directors may from time to time appoint one or more of their body to be executive chairman or chief executive or joint chief executive, managing director or joint managing director of the Company or any one or more of such offices or to hold such other executive office in relation to the management of the business of the Company as they may decide either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office, and may, from time to time (subject to the provisions of any service contract between him and the Company and without prejudice to any claim he may have for compensation or damages for breach of any such service contract) remove or dismiss him or them from such office and appoint another or others in his or their place or places.

### **Powers**

- 85 The Directors may from time to time entrust to and confer upon an executive chairman, chief executive, joint chief executive, managing director, joint managing director or executive Director for the time being such of the powers exercisable under these Articles by the Directors (other than power to make calls or forfeit shares) as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they may think expedient. The Directors may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time increase, revoke, withdraw, alter or vary all or any of such powers.

## POWERS AND DUTIES OF DIRECTORS

### Directors to manage and control the business of the Company

- 86 The business of the Company shall be managed by the Directors who, in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and as are not by the Statutes or by these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to such directions (being not inconsistent with any provisions of these Articles or of the Statutes) as may be given by the Company in general meeting. No direction given by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such direction had not been given. The provisions contained in these Articles as to any specific power of the Directors shall not be deemed to abridge, limit or restrict the general powers hereby given.

### Directors power to award pensions

- 87 (A) The Directors may establish or concur or join with other companies (being subsidiary undertakings of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, annuities, sickness or compassionate allowances, life assurance benefits, donations, gratuities or other benefits for employees (which expression as used in this Article 87 shall include any Director who may hold or have held any office or place of profit) and ex-employees of the Company and of any such other companies and their wives, widows, relatives, families or dependants, or any class or classes of such persons.
- (B) The Directors may pay, enter into agreements to pay or make grants revocable or irrevocable (and either subject or not subject to any terms or conditions) of pensions or other retirement, superannuation, death or disability benefits to Directors, employees and ex-employees and their wives, widows, relatives, families or dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such Directors, employees or ex-employees or any such persons are or may become entitled under any such scheme or fund as aforementioned. Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.
- (C) The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid, or its members, and payments for or towards the insurance of any such person as aforesaid, and subscriptions or guarantees of money for charities, educational or benevolent objects or for any exhibition or for any public, general or, useful object.

- (D) The Directors may also sanction the exercise of any power conferred upon the Company by section 719 of the Act.

**Director may hold office of profit under and may contract with Company**

- 88 (A) No Director or intending director shall be disqualified by his office from entering into any contract, arrangement, transaction or proposal with the Company either in regard to such other office or place of profit or acting in a professional capacity for the Company or as seller, purchaser or otherwise. Subject to the provisions of the Statutes and save as therein provided, (i) no such contract, arrangement, transaction or proposal entered into by or on behalf of the Company in which any Director or person connected with him is in any way interested, whether directly or indirectly, shall be avoided, (ii) nor shall any Director who enters into any such contract, arrangement, transaction or proposal or who is so interested be liable to account to the Company for any profit realised by any such contract, arrangement, transaction or proposal by reason of such Director holding that office or of the fiduciary relationship thereby established but the nature and extent of his interest shall be disclosed by him in accordance with the provisions of the Statutes.
- (B) A Director (including an alternate Director) who has duly declared his interest therein may vote as a Director in regard to any contract or arrangement which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted, and he shall be counted in the quorum when any such contract or arrangement is under consideration.

For the purpose of this Article 88, an interest of a person who is, for the purposes of the Act connected with a Director shall be treated as such Director's interest and, in relation to an alternate Director, an interest of his appointor shall be treated as that such alternate's interest.

**Exercise of voting powers**

- 89 The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including but without limitation the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers or employees of such company or- voting or providing for the payment of remuneration or any other benefits whatsoever to such officers or employees), and any Director of the Company may vote in favour of the exercise of such voting rights in manner, aforesaid, notwithstanding that he may be, or about to be, appointed a director or other officer of such other company, and is or may become interested in the exercise of such voting rights in manner aforesaid.

### **Directors may join boards of other companies**

- 90 A director may continue or become a director or other officer, employee or member of or otherwise interested in any company promoted by the Company or any subsidiary therefor or in which either of them may be interested as a seller, shareholder or otherwise, and no such Director shall be accountable for any remuneration or other benefits derived as a director or other officer, employee or member of such company.

### **Power to authorise signatures and acceptances**

- 91 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

## **LOCAL MANAGEMENT**

### **Local board and delegation of powers**

- 92 (A) The Directors from time to time, and at any time, may establish any local or divisional boards or agencies for managing any of the affairs of the Company in any specified locality, and may appoint any persons to be members of such local or divisional board or agency, or any managers or agents, and may fix their remuneration. The Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities, and discretions for the time being vested in the Directors, other than the power of making calls or forfeiting shares, and may authorise the members for the time being of any such local or divisional board or agency, or any of them, to fill up the vacancies therein, and to act notwithstanding vacancies. Any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation provided that no person dealing in good faith and without notice of the variation or annulment shall be affected by it. Any person so appointed to any local or divisional board or agency shall not by reason only of such appointment be entitled to attend or vote at meetings of the Directors.

### **Power to appoint attorney**

- 92 (B) The Directors may at any time and from time to time by power of attorney appoint any corporation, firm, person or persons or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and on such terms and subject to such conditions as the Directors may from time to time think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys as the



Directors may think fit. The Directors may at any time revoke or alter the terms and conditions of the appointment.

## **BORROWING POWERS**

### **Power to borrow money**

- 93 (A) Subject to the following provisions of this Article the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets both present and future and uncalled capital, or any part thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or its parent undertaking (if any) or any subsidiary undertaking of the Company or of any third party.
- (B) 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 subsidiary undertakings so as to secure (as regards subsidiary undertakings so far as by such exercise they can secure) that the aggregate amount at any one time owing by the Group (being the Company and all of its subsidiary undertakings from time to time) in respect of moneys borrowed, exclusive of moneys borrowed by the Company and any of its subsidiary undertakings from any of such companies, shall not at any time, without the previous sanction of a special resolution of the Company in general meeting, exceed a sum of [£2,500,000].
- (C) For the purposes of this Article, "moneys borrowed" shall be deemed to include the following except insofar as otherwise taken into account:
- (i) the nominal amount of any issued share capital and the principal amount of any debentures or borrowed moneys, the beneficial interest whereof is not for the time being owned by the Company or any of its subsidiary undertakings, or any body whether corporate or unincorporate and the payment or repayment whereof is the subject of a guarantee or indemnity by the Company or any of its subsidiaries;
  - (ii) the outstanding amount raised by acceptance by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any of the Company and its subsidiaries;
  - (iii) the principal amount of any debenture (whether secured or unsecured) of any of the Company and its subsidiaries owned otherwise than by any of the Company and its subsidiaries;
  - (iv) the principal amount of any preference share capital of a subsidiary owned otherwise than by any of the Company and its subsidiaries;
  - (v) any fixed or minimum premium payable on final repayment of any borrowing or deemed borrowings;

- (vi) any fixed amount in respect of a hire purchase agreement or of a finance lease payable in either case by the Company or any of its subsidiary undertakings which would be shown at the material time as an obligation in a balance sheet prepared in accordance with the accounting principles used in the preparation of the relevant balance sheet(s) (and for the purpose of this sub-paragraph (vi) "finance lease" means a contract between a lessor and the Company (or any of its subsidiary undertakings) as lessee or sub-lessee where substantially all the risks and rewards of the ownership of the asset leased or subleased are to be borne by that company and "hire purchase agreement means a contract of hire purchase between a hire purchase lender and the Company or any of its subsidiary undertakings as hirer);
  - (vii) such proportion of monies borrowed by the Company or any of its subsidiary undertakings (which are borrowed from any part owned subsidiary undertaking) as that part of such part owned subsidiary undertaking's issued and paid up equity share capital which is not beneficially owned by the Company (or any of its subsidiary undertakings) bears to the whole of its issue and paid up equity share capital, but shall be deemed not to include:
  - (viii) borrowings for the purposes of repaying the whole or any part of borrowings by Company or any of its subsidiary undertakings for the time being outstanding and so to be applied within six months of being so borrowed, pending their application for such purpose within such period; and
  - (ix) borrowings for the purpose of financing any contract in respect of which any part of the price receivable by the Company or its subsidiary undertakings is guaranteed or insured up to an amount not exceeding that part of the price receivable thereunder which is so guaranteed or insured.
- (D) A report by the Auditors as to the aggregate amount which may at any one time in accordance with the provisions of Paragraph (B) of this Article 93 be owing by the Company and its subsidiaries without such sanction as aforesaid shall be conclusive in favour of the Company and all persons dealing with the Company. In addition and for the purposes of this Article 93, the Board may act in reliance on a bona fide estimate as to the aggregate amount which may at any one time in accordance with the provisions of paragraph (B) of this Article 93 be owing by the Company and its subsidiaries without such sanction as aforesaid and, if in consequence the borrowing limit imposed by this Article 93 is inadvertently exceeded, the amount of moneys borrowed equal to the excess may be disregarded until the expiration of 28 days after the day on which (by reason of the determination of the Auditors) or otherwise) the Board became aware that such a situation has or may have arisen.
- (E) Subject to and without prejudice to the provisions of Paragraph (B) of Article 95, (so that where Paragraph (B) of Article 95 applies this Paragraph (E) shall not apply), no debt incurred or security given in respect of moneys borrowed or to be taken in account as moneys borrowed in excess of the limit hereby

imposed 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 hereby imposed had been or would thereby be exceeded. No lender or person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

### **Mode of borrowing**

- 94 Subject as provided in Article 93 the Directors may exercise all the powers of the Company to borrow or raise money upon or by the issue or sale of any bonds, debentures or securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of premium or bonus upon redemption or repayment or otherwise as they may think proper.

### **Security for payment of moneys borrowed or raised**

- 95 (A) Subject as provided in Article 93 the Directors may secure or provide for the payment of any moneys to be borrowed or raised by a mortgage of or charge upon an or any part of the undertaking, property or assets of the Company, both present and future, and upon any capital remaining unpaid upon the shares of the Company whether called up or not, or by any other security, and the Directors may confer upon any mortgagee, chargee or person in whom any debenture or security is vested such rights and powers as they think necessary or expedient. The Directors may vest any property or assets of the Company in trustees for the purpose of securing any moneys so borrowed or raised and confer upon the trustees or any receiver to be appointed by them or by any debenture-holder such rights and powers as the Directors may think necessary or expedient in relation to the undertaking, property or assets of the Company so vested or the management or the realisation thereof or the making, receiving, or enforcing of calls upon the members in respect of unpaid capital, and otherwise. The Directors may make and issue debentures to trustees for the purpose of further security, and any such trustees may be remunerated.
- (B) The Company shall not at any time without the previous sanction of a special resolution of the Company in General Meeting, dispose whether by way of (without limitation) sale, the granting of any lease or by way of the creation of any charge, mortgage or other encumbrance of all or any interest in the freehold premises of the Club known as Roots Hall, Victoria Avenue, Southend-on-Sea, Essex, SS2 6NQ Provided Always that this restriction shall not apply in the case of the granting of security for "moneys borrowed" (as such phrase is defined in Article 93) for an aggregate amount of up to and including [£2,500,000] at any time.

### **Security for payment of monies**

- 96 Subject always to Paragraph (B) of Article 95, the Directors may give security for the payment of monies payable by the Company in like manner as for the payment of monies borrowed or raised.

## RETIREMENT OF DIRECTORS

- 97.1 At every annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office; but, if there is only one director who is subject to retirement by rotation, he shall retire.
- 97.2 Subject to the provisions of the act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 97.3 If the company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.
- 97.4 No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless-
- (a) he is recommended by the directors; or
  - (b) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that persons for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.
- 97.5 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or reappointment as a director at the meeting or in respect of whom notice has been duly given to the company of the intention to propose him at the meeting for appointment or reappointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the company's register of directors.
- 97.6 Subject as aforesaid, the company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.
- 97.7 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the

articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

- 97.8 Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

## **DISQUALIFICATION OF DIRECTORS**

### **Office of Director to be vacated**

- 98 The office of a Director shall be vacated in any of the following events, namely:
- (A) if he resigns his office by notice in writing to the Company; or
  - (B) if he ceases to be a Director by virtue of any provision of the Statutes or becomes prohibited by law or by order of a court of competent jurisdiction from being a Director; or
  - (C) if he becomes bankrupt or has a receiving order (or any analogous order under the corresponding legislation in any jurisdiction) made against him or makes an arrangement or compounds with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act or makes any similar application under analogous proceedings in another jurisdiction; or
  - (D) if an order is made by any court of competent jurisdiction on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or receiver or curator bonis or other person to exercise powers with respect to his affairs or he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, under the Mental Health (Scotland) Act 1984 or under any applicable, analogous legislation in any other jurisdiction; or
  - (E) if (not having leave of absence from the Directors) he or his alternate (if any) fail to attend the meetings of the Directors for [six] successive months unless prevented by illness, unavoidable accident or other cause which may seem to the Directors to be sufficient and the Directors resolve that his office be vacated; or
  - (F) if he is requested to resign by notice in writing addressed to him at his address as shown in the register of Directors and signed by all the other Directors (without prejudice to any claims for damages which he may have for breach of any contract between him and the Company or any of its subsidiary undertakings) and, for this purpose, a set of like notices each signed by one or

more of the Directors shall be as effective as a single notice signed by the requisite number of Directors; or

- (G) if he is subject to a decision of The Football Association that he be suspended from holding office or from taking part in any football activity relating to the administration or management of a football club.

Any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Company or an entry shall have been made in the Directors' minute book stating that such Director has ceased to be a Director.

## **ELECTION AND APPOINTMENT OF DIRECTORS**

### **Power to increase or reduce the number of Directors**

- 99 The Company in general meeting may from time to time by Ordinary Resolution increase or reduce the number of Directors and, without prejudice to the other provisions of these Articles, may in general meeting appoint any person to be a Director either to fill a casual vacancy or as an additional Director.

### **Power to remove or appoint Director**

- 100 At any time or from time to time the holder or holders of not less than three-quarters in nominal value of such part of the issued share capital of the company as confers the right for the time being to attend and vote at general meetings of the company may, by memorandum in writing signed by or on behalf of him or them and left at or sent to the office, appoint any person to be a director or remove from office any director who shall vacate office accordingly. Any such removal shall be without prejudice to any claim such director may have for damages for breach of any contract of service between him and the company.

### **Power to appoint Director in place of one removed**

- 101 The Company may (subject to these Articles) by ordinary resolution appoint another person in place of the Director removed pursuant to the provisions of the Statutes or these Articles. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed, but this Article shall not prevent him from being eligible for re-election.

### **Associate directors**

- 102 The Directors may from time to time, and at any time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of Director (whether as executive, group, divisional, departmental, deputy, assistant, local, advisory director or otherwise) as the Directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties, and subject to any contract between him and the Company may remove from such post any person so appointed. A person so appointed shall not be a Director of the Company for any of the purposes

of these Articles or of the Act, and accordingly shall not be a member of the Board of Directors or of any committee thereof, nor shall he be entitled to be present at any meeting of the Board of Directors or of any such meeting of the Board of Directors or of any such committee, except at the request of the Board of Directors or of such committee, and if present at such request he shall not be entitled to vote thereat.

### **REMUNERATION OF DIRECTORS**

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

### **DIRECTORS' EXPENSES**

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

### **PROCEEDINGS OF DIRECTORS AND COMMITTEES**

#### **Meetings of Directors**

- 105.1 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and determine the quorum necessary for the transaction of business. Until otherwise determined, three persons entitled to vote on the business in question present in person shall constitute a quorum.
- 105.2 In the case of a meeting of Directors, in addition to the Directors and alternates present at such meeting, any Director or his alternate in communication by telephone or television (or any other form of audio-visual linking) with the meeting shall (providing that all persons participating in the meeting are able to hear and speak to each other throughout the meeting) be counted in the quorum.

- 105.3 Questions arising at any meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. One Director may, and the secretary shall at the request of any Director, at any time summon a meeting of the Directors.

#### **Notice of meetings of Directors**

- 106 Notice of meetings of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his address last known to the Company or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from or residing outside the United Kingdom may request that notices of meetings of Directors shall during his absence be sent in writing to him at the address somewhere in the United Kingdom given by him to the Company for this purpose but notice need not be given to him if he is absent from the United Kingdom and has not left such an address.

#### **Chairman of Board**

- 107 The Directors may from their number elect or remove a chairman and one or more deputy chairmen of their meetings and determine the period for which he is or they are to hold office, but if no such chairman or deputy chairman is elected or if at any meeting neither the chairman nor a deputy chairman is present within five minutes of the time appointed for holding the same, the Directors present shall choose some one of their number to be chairman of such meeting. If the chairman is not present and two or more deputy chairmen are present, the senior of them shall act as chairman and seniority shall be determined by length of office since their last appointment or reappointment. As between two or more who have held office for an equal length of time, the deputy chairman to act as chairman shall be decided by those Directors and alternate Directors present. The chairman or in his absence the deputy chairman shall preside at all meetings of the Directors.

#### **Resolution in writing**

- 108 A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors or by all members of a committee of the Board shall be as valid and effective for all purposes as a resolution of those Directors passed at a meeting duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors. Such a resolution need not be signed by an alternate Director if it is signed by the Director who appointed him and such a resolution need not, if it is signed by an alternate Director, be signed by the Director who appointed him.

#### **Directors may appoint committees**

- 109 The Directors may delegate any of their powers, authorities and discretions for such time and in such terms and conditions as they think fit to committees consisting of such Directors as they think fit and may from time to time revoke, withdraw, alter or vary any of such powers, authorities and discretions and discharge any such committee in whole or in part.



### **Committees subject to control of Directors**

- 110 All committees shall in the exercise of the powers delegated to them and in the transaction of business conform to any mode of proceedings and regulations which may be prescribed by the Directors and the meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations imposed by the Directors under this Article.

### **Maintenance of Books**

- 111 Subject as required by law any register, index, minute book, book of account or other book required by these Articles or by law to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

### **Defective appointment of Directors not to invalidate their acts**

- 112 All acts done by a meeting of the Directors, or of a committee, or by any person acting as a Director, alternate Director or member of a committee, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any person or persons acting as aforesaid, or that they or any of them were or was disqualified from holding office or not entitled to vote, or had in any way vacated their or his office be as valid as if every such person had been duly appointed, and were duly qualified and had continued to be a Director, alternate Director or member of a committee and entitled to vote.

## **SECRETARY**

### **Secretary**

- 113 The secretary shall be appointed by the Directors in accordance with the Statutes 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 but without prejudice to any claim for damages for breach of contract or of any contract of service between him and the Company. Any provision of the Act or of these Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by it being done by or to the same person acting both as Director and as, or in the place of, the secretary.

### **Assistant Secretary**

- 114 The Directors may at any time and from time to time appoint any person to be an assistant or deputy secretary of the Company and anything authorised or required by these Articles or by law to be done by or to the secretary may be done by or to any such assistant or deputy secretary. Any assistant or deputy secretary so appointed may be removed by the Directors.

## **RESERVES**

### **Reserves out of profits**

- 115.1 Subject to the Statutes, the Directors may before recommending any dividends (whether preferential, interim, final, special or otherwise) carry to reserve out of the profits of the Company, including any premiums received upon the issue of debentures or other securities or rights of the Company, such sums as they think proper as a reserve or reserves.
- 115.2 All sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends or for repairing, improving or maintaining any asset of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them and, pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments other than shares in the Company or its holding company as the Directors think fit.
- 115.3 The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit.
- 115.4 Any sum which the Directors may carry to reserve out of the unrealised profits of the Company shall not be mixed with any reserve to which profits available for distribution have been carried. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

## **DIVIDENDS**

### **Declaration of dividends**

- 116 Subject as hereinafter provided and to the Act, the Company by ordinary resolution in general meeting may declare a dividend to be paid to the members out of the profits of the Company according to their respective rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors and may be cumulative for a period not exceeding three years (that is to say the past three consecutive years) or the maximum amount permitted by the Football Association.

### **Dividends not to bear interest**

- 117 No dividend or other moneys payable by the Company in respect of a share shall bear interest as against the Company unless otherwise provided by the rights attached to the share.

### **Payment of dividends**

- 118 Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purpose of this Article 118 as paid up on the share. Subject as aforesaid, all dividends shall be 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. If any share carries any particular rights as to dividends, such share shall rank for dividend accordingly.

### **Dividends to joint holders**

- 119 In case several persons are registered as joint holders of any share, any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

### **Interim dividends**

- 120 Subject to the provisions of the Statutes, the Directors may declare and pay such interim dividends as appear to the Directors to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Directors may pay such interim dividends on shares which rank after shares conferring preferential dividend rights, unless at the time of payment any preferential dividend is in arrear. Provided that the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

### **Entitlement to dividends**

- 121 Every dividend shall belong and be paid (subject to the Company's lien) to those members who shall be on the Register at the date fixed by the Directors for the purpose of determining the persons entitled to such dividend (whether the date of payment or some other date) notwithstanding any subsequent transfer or transmission of shares.

### **Deductions and withholding**

- 122 The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to shares of the Company.

### **Method of payment of dividends**

- 123.1 The Company may pay any dividend or other sum payable in cash or by cheque, dividend warrant, money order, direct debit, bank transfer or otherwise by or through a bank and may render any cheque, dividend, warrant or money order by post to the members or persons entitled thereto and, in case of joint holders, to the member whose name stands first in the Register, or to such person and address as the holder or joint holders may in writing direct, and the Company shall not be responsible for any loss of any such cheque, warrant or order.
- 123.2 Every such cheque, warrant or order shall be made payable to the order of the person to whom it is sent, or to such person as the holder or joint holders may in writing direct, and the payment of the cheque, warrant or order shall be a good discharge to the Company.
- 123.3 If payment is made by direct debit or bank transfer or otherwise by or through a bank, the Company shall not be responsible for amounts lost or delayed in the course of the transfer and every cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

### **Payment of dividends in specie**

- 124 With the sanction of an ordinary resolution of the Company in general meeting, any dividend may upon the recommendation of the Directors be paid and satisfied either wholly or in part by the distribution of specific assets (including, without limitation, paid up shares or debentures or other securities or rights of any other company) and the Directors shall give effect to any such resolution provided that no such distribution shall be made unless recommended by the Directors. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, fix the value for distribution of such specific assets or any part thereof, determine that cash payments may be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and vest any such assets in trustees upon trust for the persons entitled to the dividend as may seem expedient to the Directors and generally may make such arrangements for this allotment, acceptance and sale of such specific assets or fractional certificates or any part thereof and otherwise as they think fit.

### **Treatment of Assets**

- 125 Subject to the provisions of the Act or as otherwise required by law, where any asset, business or property is bought by the Company as from a past date, whether such date be before or after the incorporation of the Company, the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

### **Distribution of Capital Gains**

- 126 Notwithstanding anything in any other of these Articles, the Company may by Ordinary Resolution on the recommendation of the Directors determine that any realised accretion of capital assets shall be divided among the members in proportion to the amounts paid up on the Ordinary Shares held by them respectively.

### **CAPITALISATION OF PROFITS AND RESERVES**

#### **Capitalisation of profits**

- 127 The Company may by an ordinary resolution of the Company in general meeting upon the recommendation of the Directors:
- (A) subject as hereinafter provided, resolve to capitalise any undivided profits of the Company (whether or not the same are available for distribution and including profits standing to any reserve) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;
  - (B) authorise the Directors to appropriate the profits or sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportion and apply such profits or sum on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such profits or sum, and allot and distribute such shares or debentures credited as fully paid-up, to and amongst such members or as they may direct, in those proportions, or partly in one way and partly in the other provided that: the share premium account and the capital redemption reserve and any such profits which are not available for distribution may, for the purposes of this Article 127, only be applied in the paying up of unissued shares to be issued to members credited as fully paid;
  - (C) resolve that any shares allotted under this Article 127 to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid rank for dividends only to the extent that such partly paid shares rank for dividend;
  - (D) make such provisions by the issue of fractional certificates or by payment in cash or otherwise as the Directors think fit for the case of shares or debentures becoming distributable under this Article 127 in fractions (including the sale of fractional entitlements for the benefit of the Company);
  - (E) authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any shares or debentures to which they may be entitled upon such capitalisation (any agreement made under such authority being thereupon effective and binding on all such members);

- (F) generally do all acts and things required to give effect to such resolution as aforesaid.

## SEALS AND AUTHENTICATION OF DOCUMENTS

### Common Seal and execution of documents

- 128 The Directors may provide a common seal for the Company and shall have power from time to time to destroy the same and to substitute a new Seal in lieu thereof.

### Official Seal

- 129 The Directors may exercise the powers conferred on the Company by section 40 of the Act with regard to having an official seal solely for sealing documents creating or evidencing securities issued by the Company. Any such documents to which such official seal is affixed need not be signed by any person.

### Safe custody of seals

- 130 (A) The Directors shall provide for the safe custody of every seal of the Company. The Seal shall never be affixed to any document except by the authority of a resolution of the Directors which authority may be of a general nature and need not apply only to specific documents or transactions. Subject as in this Article 130 provided, two Directors or a Director and the secretary or some other person authorised by a resolution of the Directors shall sign autographically every instrument to which the Seal shall be affixed and, in favour of any purchaser or person bona fide dealing with the Company, such signatures shall be conclusive evidence of the fact that the Seal has been duly affixed. Any certificate for shares, stock or debenture or loan stock (except where the trust deed or other instrument constituting any debenture or loan stock provides to the contrary) or representing any other form of security of the Company to which an official seal of the Company is, or is required to be, affixed need not be signed by any person.
- (B) Without prejudice to the provisions of Article 130(A), any document expressed to be made as and with the intention of creating a deed may be executed by or on behalf of the Company in any manner prescribed by the Statutes, provided always that any such document shall not be executed except with the prior authority of a resolution of the Directors.

### **Authentication of documents**

- 131.1 Any Director or the secretary or any person appointed by the Board for the purpose may authenticate any document affecting the constitution of the Company and any resolution passed by the Company or the Board or a committee of the Board and any books, records, documents and accounts relating to the business of the Company and may certify copies thereof or extracts therefrom as true copies or extracts.
- 131.2 A document purporting to be a copy of a resolution or a copy of or an extract from the minutes of a meeting of the Company or of the Board or a committee of the Board which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or copy or extract are a true and accurate record of proceedings at a duly constituted meeting.

## **NOTICES**

### **Service of notice on members**

- 132 (A) A notice or other document may be given or served by the Company upon any member, either personally or by sending it through the post in a prepaid letter or, in the case of service to an address outside the United Kingdom, by prepaid air mail addressed to such member at his registered address, or at any other address in any country which the member shall have in writing given to the Company as his address for service.
- (B) A notice or document not sent by post but left at a registered address or address for service in the United Kingdom is deemed to be given on the day it is left.
- (C) A member present in person or by proxy at a meeting or of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

### **Notice binding on transferees etc**

- 133 A person who becomes entitled to a share by transmission, transfer or otherwise is bound by a notice in respect of that share which, before his name is entered in the Register, has been properly served on a person from whom he derives his title.

### **When registered address not in the United Kingdom**

- 134 Any member whose registered address shall not be in the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise:

- (A) no such member shall be entitled to receive any notice from the Company; and
- (B) without prejudice to the generality of the foregoing, any notice of a general meeting of the Company which is in fact given or purports to be given to such members shall be ignored for the purpose of determining the validity of the proceeding's at such general meetings

#### **Evidence of service**

- 135 A notice or other document addressed to a member at his registered address or address for service in the United Kingdom, shall (subject to Article 132 (B)), by whatever means served, be deemed to have been served at forty eight hours after the same shall have been posted and, in proving such service, it shall be sufficient to prove that the envelope containing the same was properly addressed, prepaid and posted.

#### **Notice to joint holders**

- 136 All notices or other documents directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register in respect of the joint holding. Any notice or document so given shall be sufficiently given to all the holders of such share.

#### **Notice in case of death or bankruptcy**

- 137 A person entitled to a share in consequence of the death or bankruptcy of a member shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the service of notices) be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would be entitled. Such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or joint holder.

#### **Notice by advertisement**

- 138 If at any time, by reason of suspension or curtailment of postal services within the United Kingdom, the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised on the same date in at least one national UK daily newspaper and such notice shall be deemed to have been duly served on all members and other persons entitled thereto at 12 noon on the day when the advertisement appears. In any such case, the Company shall send confirmatory copies of the notice by post if, at least





seven days prior to the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

### **Accounts**

- 139 The Directors shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's financial position (including its assets and liabilities) and to show and explain its transactions in accordance with the Act and the Rules of the Football Association.
- 140 A copy of every balance sheet and profit and loss account, including every document required by law to be annexed thereto together with a copy of the auditors' report, shall if demanded be sent to the Football Association in accordance with the Rules thereof.
- 141 All accounting records of the company must be kept for minimum of six years.
- 142 No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

### **UNTRACED SHAREHOLDERS**

#### **Untraceable members**

- 143 (A) The Company shall be entitled to cease sending dividend warrants by post if such warrants have been returned undelivered or left uncashed, provided that this power may not be exercised until either such warrants have been so returned or left uncashed on two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish any new address of the registered holder. All dividends unclaimed for a period of twelve years from the date they become due for payment shall be forfeited and cease to remain owing by the Company and shall revert to the Company absolutely. The payment of any unclaimed dividend or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee thereof.
- (B) The Company shall be entitled to sell at the best price reasonably obtainable at the time of sale the shares of a member or the shares to which a person is entitled by transmission on death or bankruptcy or otherwise by operation of law provided that this power may not be exercised unless:
- (i) during the period of 12 years prior to the date of the publication of the advertisements referred to in sub-paragraph (h) (or, if published on different dates, the first date) no communication has been received by the Company from the member or the person entitled by commission and no cheque or warrant sent by the Company in respect of the shares has been cashed and no fewer than three dividends in respect of the shares have become payable and no dividend in respect of those shares has been claimed;

- (ii) the Company shall on expiry of such period of 12 years have inserted advertisements in both a national daily newspaper and in a newspaper circulating in the area in which the last known address of the member or the address at which service of notices may be effected in the manner authorised by these articles is located giving notice of its intention to sell the shares;
  - (iii) during such period of 12 years and the period of three months following publication of such advertisements, the Company shall have received no communication from such member or person.
- (C) To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission on death or bankruptcy or otherwise by operation of law to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating to the transfer. The net proceeds of sale shall belong to the Company which shall be obliged to account to the former member or other person previously entitled for a sum equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such sum which shall be a permanent debt of the Company. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Board may from time to time think fit. Any monies remaining unclaimed for a period of six years after having been received by the Company may be forfeited for the benefit of the Company.

## **AUDITORS**

### **Appointment of Auditors**

- 144 The provisions of the Statutes as to the appointment, powers, rights, remuneration and duties of the Auditors shall be complied with.

### **Acts of Auditors valid**

- 145 Subject to the provisions of the statutes, all acts done by any person acting as an Auditor shall as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

### **Notices to Auditors**

- 146 The Auditors shall be entitled to attend any general meeting, to receive all notices of and other communications relating to any general meeting which any member is

entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns them as auditors of the Company.

## MISCELLANEOUS

### Division of assets in specie

- 147 Subject to article 148, the liquidator on any winding-up of the Company (whether voluntary or under supervision or compulsory) may, with the authority of an extraordinary resolution and after deduction of any provision made under section 187 of the Insolvency Act 1986 and section 719 of the Act, divide among the members in kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and for such purpose may set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between members or classes of members. If any such division shall be otherwise than in accordance with the existing rights of the members every member shall have the same right of dissent and other ancillary rights as if such resolution were a special resolution passed in accordance with section 110 of the Insolvency Act 1986.

### Winding up of the Company

- 148 (A) On the winding-up of the Company the surplus assets shall be applied, first, in repaying to the members the amount paid on their shares respectively. If such assets are insufficient to repay the said amount in full, they shall be applied rateably, so that the loss shall fall upon the members in proportion to the amount called up on their shares respectively. No member shall be entitled to have any call upon other members for the purpose of adjusting the members' rights; but where any call has been made and has been paid by some of the members such call be enforced against the remaining members for the purpose of adjusting the rights of the members between themselves.
- (B) If the surplus assets shall be more than sufficient to pay to the members the whole amount paid upon their shares, the balance shall be given by the members of the Club, at or before the time of dissolution as they shall direct, to The Football Association Benevolent Fund, or to some other Club or Institute in the Essex Area having objects similar to those set out in the memorandum of association or to any local charity, or charitable or benevolent institution situate within the said Essex Area.
- (C) In default of any such decision or apportionment by the members of the club, the same shall be decided upon and apportioned by a Judge of the High Court of Justice having jurisdiction in such winding-up or dissolution and as he shall determine.
- (D) Alternatively, such balance may be disposed of in such other manner as the members of the club with the consent of the Council of The Football Association, as then existing, shall determine.

## Indemnity and Insurance

- 149 (A) Subject to the provisions of the Statutes but without prejudice to any indemnity to which he may otherwise be entitled, every Director and other officer of the Company for the time being (and, if the Board so determines, an Auditor) shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of such appointment or office or otherwise in relation thereto. In particular, but without prejudice to the generality of the previous sentence, any such person shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings (whether civil or criminal) in relation to the affairs of the Company in which judgment is given in his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the court from liability in relation to the affairs of the Company.
- (B) The Company may effect, purchase and maintain such insurance for Directors and other officers of the Company as is mentioned in section 310(3)(a) of the Act.