

PRIVATE COMPANY LIMITED BY
SHARES

ARTICLES OF ASSOCIATION

of

SWANSEA CITY FOOTBALL 2002 LIMITED

**(Adopted by special resolution passed on
15 February 2022)**

Incorporated in England and Wales

**The Companies Act 2006
Company No. 04305508**

The Companies Act 2006

Private Company Limited by Shares

Articles of Association of Swansea City Football 2002 Limited (the "Company")

PART 1

INTRODUCTION

1. INTERPRETATION AND LIABILITY

1.1 The following definitions and rules of interpretation shall apply in these Articles:

A Shareholder	Ordinary	the Supporters' Trust;
A Shareholder Director	Ordinary	has the meaning given in Article 8.2.1;
A Shareholder Observer	Ordinary	has the meaning given in Article 8.2.2;
A Ordinary Shares		the A ordinary shares of £1.00 each in the capital of the Company;
Act		the Companies Act 2006;
Articles		the Company's articles of association for the time being in force;
B Shareholder and B Shareholder Directors	Ordinary Director	have the meanings given in Article 8.1;
B Shareholders	Ordinary	the holders from time to time of the B Ordinary Shares;
B Ordinary Shares		the B ordinary shares of £1.00 each in the capital of the Company;
Board		the board of directors of the Company and any committee of the board as constituted from time to time;
Business Day		a day on which banks are open for normal business transactions in London, other than Saturday, Sunday or public bank holiday;
C Ordinary Share		the C ordinary share of £1.00 in the capital of the Company having the rights set out in Article 12 and Article 19.;
C Shareholder	Ordinary	the Supporters' Trust;

Conflict	a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
Controlling Interest	an interest in shares representing more than fifty per cent. (50%) of the voting rights attached to the issued Shares;
Convertible Note(s)	Loan means the convertible loan note(s) issued by the Company on or around 21 September 2020;
Date of Adoption	the date on which these Articles were adopted;
Dilutive Share Issue	the issue at any time after the Date of Adoption of any new Shares other than A Ordinary Shares that results in the A Ordinary Shares held by the A Ordinary Shareholder representing less than five per cent. (5%) of the enlarged issued share capital of the Company immediately following the completion of that issue of new Shares;
Electronic form	has the meaning given in section 1168 of the Act;
Eligible Director	a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
Encumbrance	any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);
Expert	an independent firm of chartered accountants of repute nominated by agreement between the relevant parties within ten (10) Business Days of the occurrence of the event requiring an Expert to be appointed or in the event of disagreement on the appointment of the Expert which cannot be resolved within ten (10) Business Days of the occurrence of the event requiring an Expert to be appointed, nominated on the application of any such party by the president for the time being of the Institute of Chartered Accountants in England and Wales, or his duly appointed deputy or any other person authorised by him to make nominations on his behalf;
Family Trust	a trust or settlement set up principally for the benefit of a holder of Shares and/or one or more of his Privileged Relations;
First Dilutive Share	the first Dilutive Share Issue to take place after the

Issue	Date of Adoption;
Football Authority	means the relevant regulatory authority responsible for the regulation and governance of Swansea A.F.C. and the leagues and competitions in which Swansea A.F.C. participates in from time to time;
Majority Shareholder	the holder(s) of at least fifty one percent (51%) of the Shares;
Market Value	has the meaning given in Article 18;
Member of the same Group	as regards any corporate entity, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that corporate entity or a Subsidiary Undertaking of any such Parent Undertaking;
Model Articles	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (<i>SI 2008/3229</i>), as amended prior to the Date of Adoption and reference to a numbered Model Article is a reference to that article of the Model Articles;
Noteholders	means the holders of the Convertible Loan Notes, and each of them a " Noteholder ";
Noteholder Majority	means those Noteholders together holding Convertible Loan Notes the aggregate outstanding principal value of which represents more than fifty per cent. (50%) of the total aggregate principal value of all Convertible Loan Notes that have not at that time been converted into Shares or been repaid;
Parent Undertaking	has the meaning as given in Section 1162 of the Act;
Permitted Transferee person	has the meaning given in Article 15.2; any individual, firm, company, unincorporated association, partnership or joint venture;
Privileged Relation	in relation to a shareholder, the spouse or civil partner of the shareholder and the shareholder's children and other lineal descendants in direct line (including adoptive or stepchildren and grandchildren);
Proposed Purchaser	means a proposed purchaser, or purchasers acting together, each of whom is a third party and who has or, have (as the case may be), at the relevant time, made a bona fide offer on arm's length terms;
Right of First Negotiation	means the rights given in Article 14;
Scheme	has the meaning given to that term in Article 19.6.2;

Shares	the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Share and any other class of shares that may be issued in the Company from time to time;
Subsidiary or Subsidiary Undertaking	has the meaning as given in Section 1159 or Section 1162 (as the case may be) of the Act;
Supporters' Trust	Swansea City Supporters' Society Limited, a registered society, registered under the Co-operative and Community Benefit Societies Act 2014, with registered number 29289R;
Swans Group	the Company, Swansea City Association Football Club Limited and each Subsidiary Undertaking of the Company;
Takeover Offer	has the meaning given to that term in Article 19.6.1; and
writing	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

1.2 Unless expressly provided otherwise in these Articles, words and expressions which have particular meanings in the Act (but excluding any statutory modification thereof not in force on the Date of Adoption) shall have the same meanings in these Articles. The final paragraph of Model Article 1 shall not apply to the Company.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 A reference in these Articles to a numbered **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.5 Unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

1.5.1 any subordinate legislation made under it, whether before or after the Date of Adoption; and

1.5.2 any amendment or re-enactment, whether before or after the Date of Adoption and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

This Article 1.5 shall not apply to the definition of **Model Articles** in Article 1.1.

1.6 References to any shareholder shall include their personal representatives, successors and permitted assignees.

1.7 References to **corporate entity** shall not include the Supporters' Trust.

1.8 Any words following the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.11 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

2. DIRECTORS' GENERAL AUTHORITY

- 2.1 Any or all powers of the B Ordinary Shareholder Directors (or any of them) shall be restricted in such respects, to such extent and for such duration as the Majority Shareholder may from time to time by notice in writing to the Company prescribe.
- 2.2 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action. No such special resolution invalidates anything which the directors have done before the passing of the resolution.
- 2.3 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:
- 2.3.1 to such person or committee;
 - 2.3.2 by such means (including by power of attorney);
 - 2.3.3 to such an extent;
 - 2.3.4 in relation to such matters or territories; and
 - 2.3.5 on such terms and conditions
- as they think fit.

If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

3. PROCEEDINGS OF THE BOARD

- 3.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with Article 3.6. If the Company only has one director for the time being and no provision of the Articles requires it to have more than one director, the general rule does not apply, and the sole director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.
- 3.2 Subject to Article 3.4, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors, one of which shall be a B Ordinary Shareholder Director and one of which shall be the A Ordinary Shareholder Director. Each director shall use his reasonable endeavours to ensure he attends and remains in attendance throughout each Board meeting for which proper

notice shall have been given. At such time as there is a sole director of the Company, the quorum shall be one.

- 3.3 No business shall be conducted at any meeting of the Board unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum of directors is not present at any Board meeting within half an hour from the time appointed for the meeting, or if during the meeting a quorum ceases to be present, it shall be adjourned to a date, no sooner than one week from the initial Board meeting, at the same time and place. If a quorum is still not participating within half an hour from the time appointed for the adjourned meeting, the meeting shall be deemed to be quorate if any two (2) directors are present, whereupon the meeting shall proceed to business.
- 3.4 For the purposes of any meeting (or part of a meeting) held pursuant to Article 5 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in Article 5.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 3.5 All or any members of the Board may participate in a meeting of the Board by means of conference telephones or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or in the absence of such a majority, where the chairman of the meeting is located.
- 3.6 A resolution in writing signed by all the directors shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in the like form each signed by one or more directors.
- 3.7 The Company shall send a written agenda specifying the matters to be raised at any Board meeting to all directors and the A Ordinary Shareholder Observer together with the notice convening the meeting.
- 3.8 The Majority Shareholder shall nominate a B Ordinary Shareholder Director to act as the chairman of the Board. If there is an equality of votes, the chairman shall have a second or casting vote.
- 3.9 Subject to the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

4. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 4.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
 - 4.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 4.1.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

- 4.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 4.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - 4.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 4.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit, nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 4.2 The provisions of Article 4.1.1 to Article 4.1.6 (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 5.3.
- 4.3 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 4.3.1 the meeting has been called and takes place in accordance with the Articles; and
 - 4.3.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 4.4 The Company may pay any reasonable expenses which the directors, the A Ordinary Shareholder Observer and the company secretary (if any) properly incur in connection with their attendance at
- 4.4.1 meetings of directors or committees of directors;
 - 4.4.2 general meetings; or
 - 4.4.3 separate meetings of the holders of any class of shares or of debentures of the Company.

5. **DIRECTORS' CONFLICTS OF INTEREST**

- 5.1 The directors may, in accordance with the requirements set out in this Article 5, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest.
- 5.2 Any authorisation under this Article 5 will be effective only if:
- 5.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions

of these Articles or in such other manner as the directors may determine;

5.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

5.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

5.3 Any authorisation of a Conflict under this Article 5 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to conduct himself in accordance with any such terms and conditions.

5.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.

5.5 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, any member of the Swans Group and no further authorisation under Article 5.1 shall be necessary in respect of any such interest.

5.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit that he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles, by the Company or by these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

6. **RECORDS OF DECISIONS TO BE KEPT**

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

7. **NUMBER OF DIRECTORS**

Unless and until the Majority Shareholder shall otherwise determine in writing the number of directors on the Board shall not be subject to any maximum, but the number of directors on the Board shall not be less than two (2). No shareholding qualification for directors shall be required.

8. **APPOINTMENT AND REMOVAL OF DIRECTORS AND OBSERVERS**

8.1 The Majority Shareholder shall be entitled to nominate any number of person(s) to act as directors of the Company at any one time, from time to time, by notice in writing addressed to the Company (together the "**B Ordinary Shareholder Directors**" and each a "**B Ordinary Shareholder Director**"), and the other holders of Shares shall not exercise their voting rights as shareholders so as to remove any of such directors from office.

8.2 The A Ordinary Shareholder shall, for so long as it holds A Ordinary Shares, be entitled to:

- 8.2.1 nominate one person to act as a director of the Company, from time to time, by notice in writing addressed to the Company ("**A Ordinary Shareholder Director**"), and the other holders of Shares shall not exercise their voting rights as shareholders so as to remove any of such directors from office; and
- 8.2.2 appoint one person to act as an observer to the Board (the "**A Ordinary Shareholder Observer**"), which observer shall be entitled to receive notice of, attend and speak at all meetings of the Board and receive copies of all board papers as if the A Ordinary Shareholder Observer were a director of the Company, but shall not be entitled to vote on any resolutions proposed at any such meeting of the Board.
- 8.3 For so long as any amounts remain outstanding for payment under any Convertible Loan Notes, the Noteholders, acting by a Noteholder Majority, shall be entitled to nominate one person to act as a director of the Company, and the other holders of Shares shall not exercise their voting rights as shareholders so as to remove any such director from office.
- 8.4 A person ceases to be a director as soon as:
 - 8.4.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - 8.4.2 a bankruptcy order is made against that person;
 - 8.4.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 8.4.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
 - 8.4.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - 8.4.6 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; or
 - 8.4.7 in respect of a director appointed pursuant to Articles 8.1, 8.2, or 8.3, the person appointing that director ceases to be entitled to do so.

9. **ALTERNATE DIRECTORS**

- 9.1 Any director (the **Appointor**) (other than an alternate director) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
 - 9.1.1 exercise that director's powers; and
 - 9.1.2 carry out that director's responsibilities
 in relation to the taking of decisions by the directors in the absence of the alternate's Appointor.

- 9.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.
- 9.3 The notice must:
- 9.3.1 identify the proposed alternate; and
 - 9.3.2 contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Appointor.
- 9.4 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's Appointor.
- 9.5 Except as the Articles specify otherwise, alternate directors:
- 9.5.1 are deemed for all purposes to be directors;
 - 9.5.2 are liable for their own acts and omissions;
 - 9.5.3 are subject to the same restrictions as their Appointors; and
 - 9.5.4 are not deemed to be agents of or for their Appointors
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.
- 9.6 A person who is an alternate director but not a director:
- 9.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is an Eligible Director and that person's Appointor is not himself participating);
 - 9.6.2 may participate in any vote to be taken at a meeting of the directors and if he votes, his vote shall be counted (but only if that person's Appointor is an Eligible Director and that person's Appointor is not himself participating in the vote); and
 - 9.6.3 may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).
- 9.7 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 9.8 An alternate director shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 9.9 An alternate director's appointment as an alternate terminates:
- 9.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- 9.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director;
 - 9.9.3 on the death of the alternate's Appointor; or
 - 9.9.4 when the alternate's Appointor's appointment as a director terminates.
- 9.10 The A Ordinary Shareholder Observer (for the purposes of this article 9.10, the **Observer Appointor**) may appoint an alternate to carry out his function by written notice to the Company signed by the Observer Appointor, which shall take effect on receipt by the Company or at the Board meeting at which the notice is presented. Such appointment shall continue until terminated:
- 9.10.1 when the Observer Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 9.10.2 on the death of the Observer Appointor; or
 - 9.10.3 when the Observer Appointor's appointment as the A Ordinary Shareholder Observer terminates.

10. **SECRETARY**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

PART 3

SHARES AND SHAREHOLDERS

11. **ISSUE OF NEW SHARES**

- 11.1 Save in respect of the C Ordinary Share issued pursuant to Article 12.1, the Company shall not allot or offer to allot shares of any class (or grant or offer to grant rights to subscribe for or otherwise acquire shares of any class) unless those shares or rights shall first have been offered to the existing holders of B Ordinary Shares in accordance with this Article 11.
- 11.2 Save in respect of the C Ordinary Share issued pursuant to Article 12.1, all shares or rights to subscribe for or otherwise acquire shares in the capital of the Company shall first be offered on a pre-emptive basis to all holders of B Ordinary Shares in the proportion that the aggregate nominal value of the B Ordinary Shares for the time being held respectively by each such holder of B Ordinary Shares bears to the aggregate nominal value of all issued B Ordinary Shares (the **First Pre-Emption Offer**). To the extent that all such offered shares or rights to subscribe for or acquire shares in the Company (the **Offered Shares**) are not taken up within twenty (20) Business Days following such First Pre-Emption Offer, then any remaining Offered Shares (the **Remaining Offered Shares**) shall be offered (the **Second Pre-Emption Offer**) on a pre-emptive basis to all those holders of B Ordinary Shares who expressed their interest in subscribing for all of the Offered Shares that were offered to them as part of the First Pre-Emption Offer (the **First Offer Accepting Shareholders**) in the proportion that the aggregate nominal value of the B Ordinary Shares for the time being held respectively by each such First Offer Accepting Shareholders bears to the aggregate nominal value of the B Ordinary Shares held by all such First Offer Accepting Shareholders. To the extent that all Remaining Offered Shares are not

taken up within twenty (20) Business Days following such Second Pre-Emption Offer, then any Remaining Offered Shares not taken up shall be aggregated and allotted or granted to the holders of B Ordinary Shares that have indicated a willingness to take more than their proportionate share of the Remaining Offered Shares, if any (and as between those holders of B Ordinary Shares, in the same proportions as they hold B Ordinary Shares but subject to any limit specified by them).

- 11.3 Each of the First Pre-Emption Offer and Second Pre-Emption Offer under Article 11.2 shall be made in writing and kept open for acceptance in writing in respect of all or any of the Offered Shares, for a period of twenty (20) Business Days from the date on which the relevant offer is deemed to have been served on the relevant offeree. The Company shall, in the notice of such offer, identify:

11.3.1 the person or persons (if any) to which it proposes to allot any Offered Shares that are not accepted by the holders of B Ordinary Shares;

11.3.2 state the total number of Offered Shares offered and the number of Offered Shares offered to the offeree concerned;

11.3.3 invite the offerees to respond in writing to the Company stating the number of Offered Shares which they want to apply including, in the case of a Second Pre-Emption Offer, any that are in excess of an offeree's proportionate share of the Offered Shares; and

11.3.4 state the subscription price, if any, per Offered Share.

- 11.4 To the extent that all such Offered Shares are not taken up within twenty (20) Business Days from the date on which the Second Pre-Emption Offer is deemed served, then any remaining Offered Shares may be allotted and issued to a third party within a period of six (6) months following the date of the Second Pre-Emption Offer and for a price per Offered Share and on the terms that are equal to or no more advantageous than the original price and terms offered to the holders of B Ordinary Shares pursuant to Article 11.2.

- 11.5 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

- 11.6 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the shareholder, and the directors may determine the terms, conditions and manner of redemption of any such Shares.

- 11.7 In accordance with sections 567 (1) and/or 570 of the Act, Sections 561 (1) and 562 (1) to (5) of the Act do not apply to the allotment of Shares or the grant of a right to acquire Shares by the Company.

12. **ANTI-DILUTION RIGHTS**

- 12.1 Upon the completion of the First Dilutive Share Issue, the Company shall, unless and to the extent that the A Ordinary Shareholder shall have specifically waived its rights under this Article in writing, issue to the Supporters' Trust one C Ordinary Share (the "**Anti-Dilution Share**").

- 12.2 The Anti-Dilution Share issued to the Supporters' Trust pursuant to Article 12.1 shall be treated as having the same rights as the A Ordinary Shares (save that the holder of the C Ordinary Share shall not be entitled to receive a dividend, and shall not be entitled to appoint a director of the Company or observer to the Board pursuant to article 8.2), such that, following the issue of the Anti-Dilution

Share, the A Ordinary Shares and the C Ordinary Share shall together benefit from the rights that the A Ordinary Shares would have had had the A Ordinary Shares represented five per cent. (5%) of the issued share capital of the Company following the completion of the First Dilutive Share Issue.

12.3 For the avoidance of doubt, in the event of any subsequent Dilutive Share Issue after the First Dilutive Share Issue, on no such occasion shall a further C Ordinary Share be issued. The A Ordinary Shares and the C Ordinary Share (issued on the First Dilutive Share Issue) shall together benefit from the rights that the A Ordinary Shares would have had had the A Ordinary Shares represented five per cent (5%) of the issued share capital of the Company following any subsequent Dilutive Share Issue.

12.4 The Supporters' Trust shall be entitled to subscribe for the Anti-Dilution Share in cash at par (being a price equal to the nominal value of the Anti-Dilution Share), and subject to the receipt by the Company of the cash amount payable by the Supporters' Trust for the Anti-Dilution Share pursuant to this Article 12.4, the Anti-Dilution Share shall be issued to the Supporters' Trust, credited as fully paid up in cash.

13. **TRANSFER OF SHARES**

13.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or Encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

13.2 Each holder of B Ordinary Shares, other than the Majority Shareholder, shall be permitted to transfer any B Ordinary Shares held by him or it in the following manner:

13.2.1 in accordance with any shareholders agreement in connection with the Company in force from time to time and to which that holder of Shares and the Majority Shareholder (if any) is a party;

13.2.2 subject to the Right of First Negotiation in accordance with Article 14 (*Right of First Negotiation*);

13.2.3 as a permitted transfer in accordance with Article 15 (*Permitted Transfers*); or

13.2.4 through the compulsory transfer procedure set out in Article 16 (*Compulsory Transfers*).

13.3 Save as set out in Article 13.2 and subject always to the provisions of Article 17, the Majority Shareholder shall be permitted at any time to transfer or otherwise dispose of any of its B Ordinary Shares free from any pre-emption rights and without restriction as to price or otherwise and each such transfer by the Majority Shareholder shall be registered by the directors.

13.4 Subject to the provisions of Article 16:

13.4.1 no A Ordinary Share shall be transferred; and

13.4.2 the C Ordinary Share shall not be transferred,

in each case, without the prior consent of the Board (acting with the consent of the Majority Shareholder).

- 13.5 The Company shall not register any transfer made in breach of these Articles or any shareholders agreement in connection with the Company in force from time to time and to which the Majority Shareholder is a party and any Shares comprised in any such transfer shall carry no rights whatsoever unless and until the breach is rectified.
- 13.6 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
- 13.7 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 13.8 The Company may retain any instrument of transfer which is registered.
- 13.9 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 13.10 The directors may refuse to register the transfer of a share (save that they may not refuse a transfer duly made in accordance with Article 13.2 or 13.3), and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

14. **RIGHT OF FIRST NEGOTIATION**

- 14.1 Subject to the provisions of Article 14.5, and the Right of First Negotiation, any B Ordinary Shareholder other than the Majority Shareholder (the **Selling Shareholder**) shall be permitted to transfer all of his or its Shares (the **Sale Shares**) free from any and all pre-emption rights or any other restrictions, subject always to the approval of the relevant Football Authority (where required).
- 14.2 The Majority Shareholder shall be entitled to exercise a Right of First Negotiation in respect of the Sale Shares in the following manner:
- 14.2.1 at least thirty (30) calendar days before selling the Sale Shares to a third party, the Selling Shareholder shall give written notice of the proposed sale of the Sale Shares to the Majority Shareholder;
- 14.2.2 for a period of thirty (30) calendar days following the receipt of such written notice (the **Negotiation Period**) the Selling Shareholder and the Majority Shareholder shall negotiate in good faith the terms of the purchase of the Sale Shares by the Majority Shareholder; and
- 14.2.3 if no agreement is reached between the Majority Shareholder and the Selling Shareholder during the Negotiation Period, the Selling Shareholder may sell the Sale Shares to a third party for a price per Sale Share which is higher than any price per Sale Share offered by the Majority Shareholder, provided always that any such third party is reasonably acceptable to the Majority Shareholder (such acceptance not to be unreasonably withheld or delayed).
- 14.3 Notwithstanding any provisions of the shareholders' agreement dated on or about the Date of Adoption, and subject to Article 14.5, for so long as a Noteholder holds (i) any Convertible Loan Notes or (ii) any B Ordinary Shares, if any B Shareholders propose to transfer B Ordinary Shares ("**B Controlling Shares**") to a Proposed Purchaser which would result in such Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring

a Controlling Interest in the Company (whether as a result of a single or series of transactions), a Noteholder shall be entitled to exercise a Right of First Negotiation in respect of the B Controlling Shares in the following manner:

- 14.3.1 at least thirty (30) calendar days before selling the B Controlling Shares to a third party, the Majority Shareholder shall give written notice of the proposed sale of the B Controlling Shares to the Noteholder;
 - 14.3.2 for the duration of the Negotiation Period, the Noteholder and the Majority Shareholder shall negotiate in good faith the terms of the purchase of some or all of the B Controlling Shares by the Noteholder; and
 - 14.3.3 if no agreement is reached during the Negotiation Period between the Majority Shareholder and Noteholders for the sale of all of the B Controlling Shares, the Majority Shareholder may sell any B Controlling Shares in respect of which it has not agreed a sale and purchase with a Noteholder to a third party for a price per B Controlling Share which is not less than any price per B Controlling Share offered by a Noteholder,
- 14.4 Article 14.3 to 14.5 (inclusive) shall not be revoked or amended without the prior written consent of the Noteholder Majority for so long as a Noteholder (or its Permitted Transferees) holds (i) any Convertible Loan Notes or (ii) any B Ordinary Shares.
- 14.5 The Right(s) of First Negotiation shall not apply to Permitted Transfers.

15. **PERMITTED TRANSFERS**

A B Ordinary Shareholder may at any time transfer all or any of his B Ordinary Shares to:

- 15.1 in the case of a shareholder that is a corporate entity:
 - 15.1.1 any Member of the same Group, provided that if any such Member of the same Group ceases to be a Member of the same Group, such Member of the same Group shall as soon as reasonably practicable transfer the Shares it holds to the original shareholder (or to another Member of the same Group of the original shareholder);
- 15.2 in the case of a shareholder that is an individual:
 - 15.2.1 a Privileged Relation, provided that if any such Privileged Relation ceases to be a Privileged Relation of the original shareholder, such Privileged Relation shall as soon as reasonably practicable transfer the Shares it holds to the original shareholder or to such other Permitted Transferee of the original shareholder as that original shareholder shall direct;
 - 15.2.2 a corporate or other incorporated entity that is under the original shareholder's control and thereafter by that corporate entity to any other corporate or other incorporated entity that is under the ultimate control of the original shareholder (the **Controlled Entity**), provided that in each case if any such Controlled Entity ceases to be a Controlled Entity, such Controlled Entity shall as soon as reasonably practicable transfer the Shares it holds to the original shareholder or to such other Permitted Transferee of the original shareholder as that original shareholder shall direct; and

15.2.3 the trustees of a Family Trust, and by those trustees to the settlor and/or any beneficiary of a Family Trust, to any new trustee(s) of such Family Trust (each a **Trust Person**), provided that if any such Trust Person ceases to be a Trust Person, such Trust Person shall as soon as reasonably practicable transfer the Shares it holds to the original shareholder or to such other Permitted Transferee of the original shareholder as that original shareholder shall direct,

(each a **Permitted Transferee** and together the **Permitted Transferees**).

16. **COMPULSORY TRANSFERS**

16.1 If any of the following events occur in relation to a shareholder other than the Majority Shareholder, or the A Ordinary Shareholder, it is a **Compulsory Transfer Event** in respect of that shareholder and the provisions of this Article 16 shall apply:

16.1.1 where the shareholder is an individual:

- (a) he dies; or
- (b) he is convicted of a criminal offence (other than minor motoring offences); or
- (c) a Bankruptcy order is made against him, or an arrangement or composition is made with his creditors generally, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; or

16.1.2 where the shareholder is a corporate entity:

- (a) it takes any step towards its winding up; or
- (b) it takes any action towards its administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment); or
- (c) it is unable to pay its debts as they fall due within the meaning of the Insolvency Act 1968 (other than under Section 123(1)(a) thereof); or
- (d) it takes, allows or permits any action as a result of which it proposes to enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part 1 of the Insolvency Act 1986 or otherwise) or to apply for an interim order under Part 1 of the Insolvency Act 1986; or
- (e) it takes or allows or permits any action as a result of which it invites the appointment of a receiver, manager or administrative receiver over all or any part its assets or undertaking; or
- (f) any proceedings or orders equivalent or analogous to the circumstances above occurs in respect of it in any jurisdiction outside of England.

16.2 Where a Compulsory Transfer Event occurs in relation to any shareholder other than the Majority Shareholder (the **Compulsory Transferor**), he or it shall be deemed to have served a transfer notice on the Company in respect of, and offering to transfer, all the Shares held by him or it and their Permitted

Transferees (the **Relevant Shares**) immediately upon the occurrence of the Compulsory Transfer Event (a **Deemed Transfer Notice**).

- 16.3 A Deemed Transfer Notice shall constitute the Company as the agent of the Compulsory Transferor for the transfer of all its or his Relevant Shares in accordance with this Article 16.
- 16.4 A Deemed Transfer Notice shall be irrevocable, and the server of a Deemed Transfer Notice will be excluded from any offer or notice made or given under Article 11 (*Issue of New Shares*).
- 16.5 The Deemed Transfer Notice shall constitute an offer to the Company to buy back the Relevant Shares pursuant to Article 16.6 and (if the Company does not accept such offer) thereafter an offer to all the shareholders (excluding the Compulsory Transferor) (the **Continuing Shareholders**) to buy a proportion of the Relevant Shares equal to the proportion which the number of Shares held by such Continuing Shareholder bears to all of the Shares held by the Continuing Shareholders.
- 16.6 The offer shall first invite the Company to apply in writing within twenty (20) Business Days of the date of the Deemed Transfer Notice (the **Offer Period**) for the maximum number of Relevant Shares it wishes to buy-back and cancel at a price equal to Market Value.
- 16.7 In the event that the Company does not wish to buy-back some or all or any of the Relevant Shares (the **Remaining Relevant Shares**), the Board shall invite the Continuing Shareholders to apply in writing within twenty (20) Business Days of the date of deemed delivery of such invitation for the maximum number of the Remaining Relevant Shares they wish to buy at a price equal to Market Value.
- 16.8 If allocations have been made in respect of the Relevant Shares to the Continuing Shareholders, the Board shall give written notice of allocation (the **Allocation Notice**) to the Compulsory Transferor and each Continuing Shareholder to whom Relevant Shares have been allocated (the **Applicant**). The Allocation Notice shall specify the number of Relevant Shares allocated to each Applicant, the amount (if any) payable by each Applicant for the number of Relevant Shares allocated to him (the **Consideration**) and the place and time for completion of the transfer of the Relevant Shares (which shall be not more than fifteen (15) Business Days after the date of the Allocation Notice).
- 16.9 Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Relevant Shares which he has stated he is willing to buy.
- 16.10 The Relevant Shares shall be transferred, against payment of the Consideration, in accordance with the requirements specified in the Allocation Notice.
- 16.11 If the Compulsory Transferor fails to execute any documents required to effect a buy-back by the Company pursuant to Article 16.6 or otherwise fails to comply with the requirements of the Allocation Notice, the Company shall, as agent for the Compulsory Transferor:
- 16.11.1 complete, execute and deliver in his name all documents necessary to give effect to the buy-back or the transfer of the Relevant Shares by the Company or to the Applicants, as the case may be;
- 16.11.2 receive the Market Value payable by the Company or the Consideration, as the case may be, and give a good discharge for it; and

- 16.11.3 (subject to the transfers being duly stamped) enter the Applicants in the register of members as the holders of the Relevant Shares purchased by them.
- 16.12 The Company shall pay the Market Value payable by the Company or the Consideration, as the case may be, into a separate bank account in the Company's name on trust (but without interest) for the Compulsory Transferor (or his estate in the case of his death) until he (or his personal representatives in the case of his death) has delivered the certificate for the Relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
17. **MANDATORY OFFER ON A CHANGE OF CONTROL**
- 17.1 Except in the case of permitted transfers made pursuant to Article 15, after going through the right of first negotiation procedure in Articles 14.2 to 14.4 (inclusive), the provisions of Article 17.2 will apply if one or more holders of B Ordinary Shares ("**Proposed Sellers**") propose to transfer in one or a series of related transactions any B Ordinary Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 17.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the Supporters' Trust to acquire all of the B Ordinary Shares held by the Supporters' Trust for a consideration per share the value of which is at least equal to the price per share offered or paid to the Proposed Sellers by the Proposed Purchaser and the Offer shall be made on the basis that the Supporters' Trust shall give no warranties or representations (save as to share ownership) to the Proposed Purchaser nor shall it be subject to any restrictive covenants in connection with the sale of its B Ordinary Shares to the Proposed Purchaser.
- 17.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 20 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of B Ordinary Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**") (which for the avoidance of doubt shall be all of the B Ordinary Shares held by the Supporters' Trust unless the Supporters' Trust have agreed otherwise).
- 17.4 If the Supporters' Trust is not given the rights accorded to it by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 17.5 If the Offer is accepted by the Supporters' Trust in respect of its B Ordinary Shares within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the B Ordinary Shares held by the Supporters' Trust.
- 17.6 The Proposed Transfer is subject to the provisions of Articles 14.2 to 14.4 (inclusive) but the purchase of the B Ordinary Shares held by the Supporters' Trust shall not be subject to the provisions of Articles 14.2 to 14.4 (inclusive).

- 17.7 The provisions of this Article 17, and the rights accorded to the Supporters' Trust under this Article 17 in respect of the B Ordinary Shares held by it, shall not apply to the A Ordinary Shares or the C Ordinary Share.

18. MARKET VALUE

- 18.1 Market Value shall be the fair market value price per Relevant Share agreed between the Board and the Compulsory Transferor or, in default of agreement within ten (10) Business Days of the date of deemed service of the Deemed Transfer Notice, the price per Relevant Share determined in writing by the Expert on the following bases and assumptions:

18.1.1 valuing each of the Relevant Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent;

18.1.2 the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

18.1.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;

18.1.4 the Relevant Shares are to be sold free of all Encumbrances; and

18.1.5 the sale is taking place on the date the Expert were requested to determine the Market Value.

19. GENERAL MEETINGS AND EXERCISE OF VOTING RIGHTS

- 19.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

- 19.2 Where the Company has only one shareholder for the time being, one qualifying person (as defined in section 318 of the Act) present at the meeting shall be a quorum. In any other case, the quorum for the transaction of business at any general meeting of the Company (including adjourned meetings) shall be two shareholders, one of which shall be the Majority Shareholder and one of which shall be the A Ordinary Shareholder.

- 19.3 Each shareholder shall use reasonable endeavours to ensure they attend and remain in attendance throughout each general meeting for which proper notice shall have been given. If a quorum of shareholders is not present at any general meeting within half an hour from the time appointed for the meeting, or if during the meeting a quorum ceases to be present, it shall be adjourned to the same day in the next week at the same time and place. If a quorum is still not participating within half an hour from the time appointed for the adjourned meeting, the meeting shall be deemed to be quorate if any two (2) qualifying persons (as defined in section 318 of the Act) are present in person whereupon the meeting shall proceed to business.

- 19.4 A general meeting of the Company may consist of a conference between shareholders some or all of whom are in different places provided that each shareholder who participates is able to hear each of the other participating shareholders addressing the meeting and to address all of the others participating simultaneously, whether directly by conference telephone or by any form of communications equipment or by a combination of them. A quorum

shall be deemed to be present if those conditions are satisfied in respect of at least the number of shareholders required to form a quorum.

19.5 In the case of any resolution proposed to be passed by the shareholders:

19.5.1 the Majority Shareholder shall be entitled, either at a general meeting or in respect of a resolution proposed to be passed by the Company's shareholders as a written resolution, to exercise such number of additional votes as shall result in the Majority Shareholder having a total of seventy five point one percent. (75.1%) of all voting rights attaching to the Shares in the entire issued capital of the Company for the time being (irrespective of the actual number of Shares held by the Majority Shareholder at the relevant time); and

19.5.2 if at any time, the A Ordinary Shares held by the A Ordinary Shareholder represent less than five per cent. (5%) of the issued share capital of the Company, the C Ordinary Shareholder shall be entitled, either at a general meeting or in respect of a resolution proposed to be passed by the Company's shareholders as a written resolution, to exercise such number of additional votes as shall result in the A Ordinary Shareholder and the C Ordinary Shareholder being entitled to exercise, in respect of the A Ordinary Shares and the C Ordinary Share held by them (respectively) voting rights representing in aggregate five percent. (5%) of all voting rights attaching to the Shares in the entire issued capital of the Company for the time being (irrespective of the actual number of Shares that is the A Ordinary Shares plus the C Ordinary Share held at the relevant time); and

19.5.3 each shareholder of the Company other than the Majority Shareholder, the A Ordinary Shareholder (in respect only of the A Ordinary Shares held by it) and the C Ordinary Shareholder (in respect only of the C Ordinary Share held by it) shall be entitled, either at a general meeting or in respect of a resolution proposed to be passed by the Company's shareholders as a written resolution, to exercise, a proportion of the voting rights attaching to the Shares ("**V**"), expressed as a percentage, calculated by reference to the following formula:

$$V = (S/TS) * 0.199,$$

where

S is the number of issued Shares held by that Shareholder; and

TS is the total number of issued Shares other than: (i) the issued B Ordinary Shares held by the Majority Shareholder; (ii) the issued A Ordinary Shares; and (iii) the issued C Ordinary Share.

19.6 If at any time:

19.6.1 a takeover offer (which shall have the meaning given in section 974 of the Act) pursuant to chapter 3 of Part 28 of the Act is made for the entire issued share capital of the Company (a "**Takeover Offer**") and such Takeover Offer treats the A Ordinary Shares, B Ordinary Shares (and C Ordinary Share, if then in issue) as one class of shares, then the voting rights attached to the A Ordinary Shares (and the C Ordinary Share, if then in issue) shall, for the purposes of determining whether the ninety per cent. (90%) threshold under section 979 of the Act has been met in connection with the relevant Takeover Offer, but for no other purposes, shall be deemed to represent in aggregate eleven per

cent. (11%) of the total voting rights of the Shares to which the relevant Takeover Offer relates and Article 19.5 shall be deemed adjusted as required to give effect to this Article 19.6.1.

19.6.2 a takeover of the Company is to be effected by means of a scheme of arrangement pursuant to Part 26 of the Act (a "**Scheme**"), the total voting rights attached to the A Ordinary Shares in aggregate with the C Ordinary Share (if then in issue) represented at any court convened shareholder meeting in connection only with the relevant Scheme, and for no other purposes, shall represent twenty six per cent. (26%) of the total voting rights of the Shares and Article 19.5 shall be deemed adjusted as required to give effect to this Article 19.6.2.

19.7 Any resolution proposed to be passed by the shareholders as a written resolution shall be proposed in a form that provides shareholders with the ability to cast their votes against as well as in favour of such resolution.

19.8 The shareholders shall at all times exercise all rights available to them to procure that at all times the voting on any matter proposed to the shareholders is carried out in accordance with Article 19.5 and Article 19.6.

19.9 The chairman or co-chairmen of any shareholders' meeting of the Company shall be the chairman or co-chairmen of the Board (in each case as the case may be).

20. **POLL VOTES**

20.1 A poll on a resolution may be demanded:

20.1.1 in advance of the general meeting where it is to be put to the vote; or

20.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

20.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

20.3 A demand for a poll may be withdrawn if:

20.3.1 the poll has not yet been taken; and

20.3.2 the chairman of the meeting consents to the withdrawal.

20.4 A demand withdrawn in accordance with Article 19.3 shall not invalidate the result of a show of hands declared before the demand was made.

20.5 Polls must be taken immediately and in such manner as the chairman or co-chairman (as the case may be) of the meeting direct(s).

21. **PROXIES**

21.1 Proxies may only validly be appointed by a notice in writing (a **Proxy Notice**), which:

21.1.1 states the name and address of the shareholder appointing the proxy;

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

- 21.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - 21.1.4 is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate
- and a Proxy Notice which is not delivered in such manner shall be invalid.
- 21.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
 - 21.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
 - 21.4 Unless a Proxy Notice indicates otherwise, it must be treated as:
 - 21.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 21.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
 - 21.5 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
 - 21.6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
 - 21.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
 - 21.8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

PART 4

ADMINISTRATIVE ARRANGEMENTS

22. CHANGE OF COMPANY NAME

The name of the Company may be changed by a special resolution of the shareholders of the Company or otherwise in accordance with the Act.

23. SHARE CERTIFICATES

23.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

23.2 No certificate may be issued in respect of Shares of more than one class.

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

23.4 Certificates must be executed in accordance with the Act.

23.5 If a certificate issued in respect of a shareholder's shares is damaged or defaced or said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares. A shareholder exercising the right to be issued with such a replacement certificate:

23.5.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

23.5.2 must return the certificate which is to be replaced by the Company if it is damaged or defaced; and

23.5.3 must comply with such conditions as to evidence and indemnity as the directors decide.

24. DIVIDENDS AND DISTRIBUTION POLICY

24.1 The Company may, subject to compliance with the Act, declare and pay such dividends as the Board, in its discretion, subject always to the provisions of any dividend policy adopted by the Board from time to time (a "**Dividend Policy**"), sees fit, if it appears to it that it is justified by the profits of the Company available for distribution.

24.2 In the event the Board decides to declare any dividend, dividends shall, subject to the provisions of any Dividend Policy, be paid to each holder of Shares on a pro-rata basis in the proportion that the number Shares then held respectively by that holder of Shares bears to the total number of issued Shares.

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

24.3.1 the rights attached to any shares; or

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

24.4 If:

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

24.4.2 the distribution recipient has not claimed it,

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

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

24.5.1 the Share has more than one holder; or

24.5.2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise,

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

25. **MEANS OF COMMUNICATION TO BE USED**

25.1 Subject to Article 25.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

25.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

25.1.2 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

25.1.3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

25.1.4 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

25.1.5 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or

25.1.6 if deemed receipt under the previous paragraphs of this Article 25.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

25.2 To prove service, it is sufficient to prove that:

25.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or

25.2.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or

25.2.3 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

26. **INDEMNITY AND INSURANCE**

26.1 Subject to Article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

26.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including any liability incurred by him in defending any civil or criminal proceedings, or regulatory investigation or action, in which judgment is given in his favour or in which he is acquitted or the proceedings are, or the investigation or action is, otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

26.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation, action or application referred to in Article 26.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

26.2 This Article 26 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.

26.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

26.4 In this Article 26:

26.4.1 **associated company** means any member of the Swans Group and **associated companies** shall be construed accordingly;

26.4.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

26.4.3 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).