

## RESOLUTION 1 - Amendment of Articles of Association

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### TUNBRIDGE WELLS RUGBY FOOTBALL CLUB LIMITED ("TWRFL")

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At a General Meeting of the Club held by video conference on 21 September 2020

IT WAS RESOLVED that:

1. In order for the Club to operate properly and with the necessary flexibility, as set out in the explanatory note, the Articles of Association of TWRFL shall be changed as set out in paragraph 2 below.

2. Amend Article 3.2 by deleting:

"No member shall be paid a salary, bonus fee, or other remuneration for playing for the Club except as allowed by Part 13 Chapter 9 of the Corporation Tax Act 2010 as it may be amended, updated or re-enacted" and replacing it by:

"Any arrangement for the paying of players, including Player Coaches, for playing rugby has to have the agreement of the Board and the maximum gross payments shall be no more than two-thirds of the threshold specified by the Rugby Football Union for the relevant playing Level"

Amend Article 17.1, final sub-paragraph, by deleting the section in braces as follows:

"provided that {nothing in those Rules shall prejudice the Club's status as a Community Amateur Sports Club under Part 13 Chapter 9 Corporation Tax Act 2010 as modified by statute or re-enacted from time to time, and provided that} the said Rules shall be consistent with these Articles and the Companies Acts"

Amend Article 18.1 from:

"18.1 The number of Directors shall be not less than five and shall be subject to a maximum of ten." to:

"18.1 The number of Directors shall be not less than five and shall be subject to a maximum of nine."

Amend Article 48.2 by replacing "another" with "a"

D S Bailey.....  ..... Director and Company Secretary

Date: 28/09/2020

## Amendment to TWRFCL Articles of Association: Explanatory Note

1. The Memorandum and Articles of Association (AsofA) establishing Tunbridge Wells Rugby Football Club Limited (TWRFCL) were signed on 18 December 2014 with a formal Effective Date of 1 April 2015 to give time for the new organisation to be set up and the key assets (and liabilities) of Tunbridge Wells Borderers Sports Club to be transferred to TWRFCL.
2. At the time, it was envisaged that TWRFCL would become a Community Amateur Sports Club (CASC) to take advantage of the favourable taxation regime, and other potential benefits, and the AsofA were written accordingly.
3. However, on the Effective Date, HMRC changed the requirements and regulations applying to CASCs. This made registration as a CASC much less attractive and, as a consequence, the Board of TWRFCL decided not to pursue this option.
4. In addition, over the subsequent 5 years the development of the Club has changed from that envisaged when the Articles were being constructed in 2014. As a result, the provisions in the Articles at 3.2 and 17.1 relating to CASC are no longer relevant or applicable.
5. The replacement Article 3.2 reflects the Board's view that paying players requires the agreement of the Board as a whole and that this should be moderated, despite the potential competitive disadvantage, to reflect the Community ethos of the Club and to encourage the selection of home-grown talent from the Youth section.
6. There are also minor editorial inconsistencies to Articles 18.1 and 48.2 to be corrected.
7. The Board therefore proposes that the Articles of Association be amended accordingly.