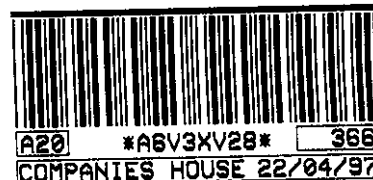


Company Number:- 34603



THE COMPANIES ACT 1985
(as amended)

PRIVATE COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION

- of -

GLOUCESTER RUGBY FOOTBALL CLUB LIMITED

INCORPORATED ON 12 AUGUST 1891
ADOPTED ON 15 MAY 1996
AMENDED BY SPECIAL RESOLUTION PASSED ON 18 APRIL 1997

PRELIMINARY

1.
 - 1.1 In these Articles "Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No 1052) and "the Act" means the Companies Act, 1985 including any statutory modification or re-enactment thereof for the time being in force.
 - 1.2 The Regulations contained in Table A shall apply to the Company save in so far as they are excluded or modified hereby. Regulations 41, 64 to 69 (inclusive), 87, 94 to 99 (inclusive), 101, 110 and 118 shall not apply, but, subject as aforesaid, and in addition to the remaining Regulations of Table A the following shall be the Articles of Association of the Company.

PRIVATE COMPANY

2. The Company is a private company within the meaning of s.1(3) of the Act.

SHARES

3. The share capital of the Company is £12,000 divided into 12,000 ordinary shares of £1.00 each.
4.
 - 4.1 The Directors shall have general and unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any relevant securities of the Company (as defined in Section 80 of the Act) to such persons, at such times and generally on such terms and conditions as the Directors may determine. The authority hereby conferred shall, subject to Section 80(7) of the Act, be for a period expiring on the Fifth anniversary of the adoption of these Articles unless renewed, varied or revoked by the Company in General Meeting, and the maximum amount of relevant securities which may be allotted pursuant to such authority shall be the authorised but as yet unissued share capital of the Company at the date hereof.
 - 4.2 The Directors shall be entitled under the authority conferred by Article 4.1 or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.
5.
 - 5.1 The lien conferred by Regulation 8 of Table A shall attach also to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of two or more joint holders and shall extend to all moneys presently payable by him or his estate to the Company. Regulation 8 of Table A shall be modified accordingly.
 - 5.2 The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence in Regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment"
6.
 - 6.1 Subject to the provisions of the Act, any shares in the capital of the Company may be issued on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may by Special or Written Resolution determine.
 - 6.2 Subject to Chapter VII of Part V of the Act the Company may purchase its own shares (including redeemable shares) whether out of distributable profits or the proceeds of a fresh issue of shares or otherwise.

SHARE CERTIFICATES

7. Regulation 6 of Table A shall be amended by the insertion of the words ".....or signed by any two directors or any one director and the company secretary...." after the words "every certificate shall be sealed with the seal..."

TRANSFERS

8. The Directors may, in their discretion and without assigning any reason therefor, decline to register the transfer of a share, whether or not it is a fully paid share, and the first sentence of regulation 24 in Table A shall not apply to the Company.

NOTICES AND PROCEEDINGS AT GENERAL MEETINGS

9. Every notice calling a General Meeting shall comply with the provisions of Section 372(3) of the Act, as to giving information to Members in regard to their right to appoint proxies; and all notices and other communications relating to a General Meeting which any Member is entitled to receive shall also be sent to the Directors for the time being of the Company. Such notice need not be sent to the Auditors and Regulation 38 of Table A shall be modified accordingly.
10. Regulation 40 in Table A shall be read and construed as if the words "at the time when the meeting proceeds to business" were added at the end of the first sentence.
11. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved.
12. It shall not be necessary to give any notice of an adjourned meeting and Regulation 45 of Table A shall be construed and amended accordingly.
13. A poll may be demanded by the Chairman or by any Member present in person or by proxy and entitled to vote and Regulation 46 of Table A shall be construed and amended accordingly.
14. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of member of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

15.
 - 15.1 The Directors shall not be less than three in number and there shall be no maximum number. No person shall hold office as a Director of the Company concurrently with holding office as a director of any holding company of the Company and the provisions of Article 20.6 shall apply in the event of any Director being appointed a director of any such company.
 - 15.2 Whenever the minimum number of Directors shall be one a sole director shall have authority to exercise all the powers and discretions arising by virtue of Table A and by the Articles expressed to be vested in the Directors generally and Regulation 89 of Table A shall be modified accordingly.

16. A Director need not hold any shares of the Company to qualify him as a Director but he shall be entitled to receive notice of and attend at all General Meetings of the Company and at all separate General Meetings of the holders of any class of shares in the Capital of the Company and Regulation 38 of Table A shall be modified accordingly.
17. If any Director shall be called upon to perform extra services or to make special exertions in going or residing abroad or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a Board Meeting of the Directors of the Company, and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled as a Director.
18. The Directors may exercise all the powers of the Company to borrow or raise money without limit as to amount and upon such terms and in such manner as they think fit and subject (in the case of any security convertible into shares) to Section 80 of the Act) to mortgage or charge its undertaking, property and uncalled capital and issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party PROVIDED THAT the amount for the time being remaining undischarged of the moneys secured over the freehold property owned at the date of adoption of these Articles by the Company and situate at Kingsholm Gloucester ("Kingsholm") shall not at any time, without the previous sanction of the Company in General Meeting, exceed one half of the open market value from time to time of Kingsholm and in the case of dispute the open market value of Kingsholm shall be determined by an independent valuer appointed by the Directors and whose decision shall (save in the case of manifest error) be final and binding on the Directors and the Company and whose costs shall be an expense of the Company. Furthermore the Directors shall be prohibited from disposing of Kingsholm without the previous sanction of the Company in General Meeting.
19. Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his a Director may vote as a Director in regard to any contract, transaction or arrangement in which he is interested, or upon any matter arising thereout, and if he does so vote his vote shall be counted and he shall be reckoned in calculating a quorum when any such contract transaction or arrangement is under consideration.
20. The office of Director shall be vacated if the Director
 - 20.1 becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - 20.2 becomes prohibited from being a Director by reason of any order made under the Company Directors Disqualification Act 1986; or
 - 20.3 in the opinion of all his co-Directors becomes incapable by reason of mental disorder of discharging his duties as Director; or
 - 20.4 subject as hereinafter provided resigns his office by notice in writing to the Company

- 20.5 becomes incapable by reason of illness or injury of managing or administering his property and affairs
- 20.6 is appointed director of any holding company from time to time of the Company
21. The Company may by Ordinary Resolution of which special notice has been given in accordance with Section 379 of the Act remove any director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such director. 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.
22. 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 provided that the appointment does not cause the number of directors to exceed any number determined in accordance with Article 15.1.
23. A Director appointed to fill a casual vacancy or as an addition to the Board shall not retire from office at the Annual General Meeting next following his appointment.
24. The holder or holders of a majority 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 at any time or from time to time by memorandum in writing signed by or on behalf of him or them and left at or sent to the Registered Office of the Company remove any Director from office or appoint any person to be a Director. Any removal or appointment pursuant to this Article shall (in the absence of contrary provision in the relevant memorandum) take effect forthwith upon delivery of the memorandum to the Registered Office of the Company or on the date specified therein (whichever shall be the later).
25. Any Director may by writing under his hand appoint
- 25.1 any other Director, or
- 25.2 any other person who is approved by the Board of Directors as hereinafter provided to be his alternate;

and 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, in the absence from the Board of the Directors 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: Provided always that no such appointment of a person other than a Director shall be operative unless and until the approval of the Board of Directors by a majority consisting of two-thirds of the whole Board shall have been given and entered in the Directors' Minute Book. A Director may at any time revoke the appointment of an alternate appointed by him, and subject to such approval as aforesaid appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine. 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.

26. 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, and he shall not be deemed to be the agent of or for the Director appointing him. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the Director appointing him.
27. No person shall be or become incapable of being appointed a Director by reason only of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no Director shall vacate his office at any time by reason only of the fact that he has attained the age of seventy or any other age.
28. The Directors may from time to time appoint one or more of their body to hold any executive office in the management of the business of the Company including the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director as the Directors may decide such appointment being (subject to Section 319 of the Act, if applicable) for such fixed term or without limitation as to period and on such terms as they think fit and a Director appointed to any executive office shall (without prejudice to any claim for damages for breach of any service contract between him and the Company) if he ceases to hold the office of Director from any cause ipso facto and immediately cease to hold such executive office.
29. A Director holding such executive office as aforesaid for a fixed period shall not be entitled to resign as a Director of the Company and Article 21.4 hereof shall be interpreted accordingly.
30. The following sentence shall be added to regulation 72 of Table A:

“Any committee shall have the power unless the directors direct otherwise to co-opt as a member or members of the committee for any specific purpose any person or persons although not being a director of the Company”
31. Any person holding for the time being the office of Chairman of The Gloucester Rugby Football Club ("the Club") or such other organisation, association or company as is responsible for the time being for the playing of the game of Rugby Football in Gloucester in succession to the Club shall be entitled to receive notice of and to attend and speak at all Board Meetings of the Directors of the Company
32. Any person entitled to attend and speak at a Board Meeting of the Directors of the Company may participate by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting

GRATUITIES AND PENSIONS

33. The Directors may exercise the powers of the Company conferred by clause 3.20 of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

SECRETARY

34. The secretary shall be appointed by the directors on such terms as they think fit and any secretary appointed may be removed by them. If at any time there is no secretary or for any reason no secretary capable of acting the directors may appoint an assistant or deputy secretary.

DIVIDENDS

35. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, 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 of the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

CAPITALISATION OF PROFITS

36. The Directors may with the authority of an Ordinary or Written Resolution of the Company:-
- 36.1 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 fund;
- 36.2 appropriate the profits or sum resolved to be capitalised to the Members in proportion to the nominal amount of the Ordinary Share Capital (whether or not fully paid) held by them respectively, 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 such Members 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 the proportion aforesaid, or partly in one way and partly in the other: provided that the share premium account and the capital redemption reserve fund and any such profits which are not available for distribution may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to Members credited as fully paid;
- 36.3 resolve that any shares allotted under this Article to any Member in respect of a holding by him of any partly paid Ordinary Shares shall, so long as such Ordinary Shares remain partly paid rank for dividends only to the extent that such partly paid Ordinary Shares rank for dividend;

- 36.4 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 in fractions;
- 36.5 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 or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of the profits or sum so resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on shares held by them respectively any agreement made under such authority being thereupon effective and binding on all such Members; and
- 36.6 generally do all acts and things required to give effect to such resolution as aforesaid.

PROVISION FOR EMPLOYEES

37. The Company shall exercise the power conferred upon it by Section 719 of the Act only with the prior sanction of a Special Resolution. If at any time the capital of the Company is divided into different classes of shares, the exercise of such power as aforesaid shall be deemed to be a variation of the rights attached to each class of shares and shall accordingly require the prior consent in writing of the holders of three-fourths in nominal value of the issued share of each class or the prior sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of each class convened and held in accordance with the provisions of Section 125 of the Act.

THE SEAL

38. If the Company has a seal it may only be used with the authority of the Directors or a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise determined it shall be signed by two Directors or one Director and the Secretary. The obligation contained in clause 6 of Table A relating to the sealing of share certificates shall only apply if the Company has a seal. The Company may exercise the powers conferred by s.39 of the Act with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

NOTICES

39. Notice served by post shall be deemed to be given at the expiration of 24 hours (or, when second class mail is employed 48 hours) after the time when the envelope containing the same is posted and proof that the envelope containing the notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. The second sentence of Regulation 115 shall not apply.

INDEMNITIES

40. Every Director, Managing Director, agent, auditor, secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings relating to his

conduct as an officer of the Company, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court. This Article shall only take effect in so far as its provisions are not avoided by Section 310 of the Act and shall not entitle any such person to an indemnity if and to the extent that such person is protected against such liability by insurance purchased pursuant to Section 310 (3)(a) of the Act.