

# 15 - 09 - 98

No. 53703

THE COMPANIES ACT 1985

Public Company Limited by Shares

**RESOLUTIONS**

**- OF -**

THE READING FOOTBALL CLUB PLC

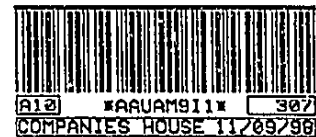
(passed on 4<sup>th</sup> September 1998)

At an Extraordinary General Meeting of the Company duly convened and held on 4<sup>th</sup> September 1998 the following Resolutions were duly passed in the case of Resolutions numbered 3 to 5 inclusive as Ordinary Resolutions and in the case of numbers 6 and 7 as Special Resolutions of the Company.

Ordinary Resolutions

3. That the Authorised Share Capital of the Company be increased from £50,000 to £750,000 by the creation of an additional 1,400,000 Ordinary Shares of 50 pence each ranking pari passu in all respects with the existing 100,000 Ordinary Shares of 50 pence each.
4. That the practice of allocating distinctive numbers to each issued share in the capital of the Company be discontinued forthwith, that accordingly all the existing issued shares in the capital of the Company immediately cease to bear a distinctive number and that all shares hereafter issued by the Company be issued without a distinctive number.
5. That the directors be and they are hereby generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 to exercise any power of the Company to allot and grant rights to subscribe for or to convert securities into shares of the Company up to a maximum nominal amount of £700,000 provided that the authority hereby given shall expire five years after the passing of this resolution unless previously renewed or varied and save that the directors may notwithstanding such expiry, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company before the expiry of this authority.

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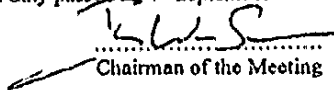
### Special Resolutions

- 6 That in accordance with Section 95 of the Companies Act 1985, Section 89(1) of that Act shall not apply to the allotment of equity securities pursuant to the general authority given for the purposes of Section 80 of that Act and the directors may allot, grant such options over or otherwise dispose of such shares to such persons, on such terms and in such manner as they see fit for as long as this resolution shall have effect.
- 7 That, subject to the passing of Resolution 3, above the Articles of Association of the Company be amended by the adoption (to the exclusion of the existing Articles of Association) of New Articles of Association in the form of the draft now produced to the Meeting and initialled for the purposes of identification only by the Chairman hereof.

Chairman of the Meeting

# 15 - 09 - 98

This is a print of the New Articles of Association of  
The Reading Football Club plc adopted by Special  
Resolution duly passed on 4<sup>th</sup> September 1998

  
Chairman of the Meeting

No : 53703

## THE COMPANIES ACT 1985

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Public Company Limited by Shares

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NEW

### ARTICLES OF ASSOCIATION

~ of ~

### THE READING FOOTBALL CLUB PLC

(adopted by Special Resolution passed on 4<sup>th</sup> September 1998)

#### PRELIMINARY

1. (A) The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.
- (B) Regulations 3, 23, 40, 41, 54, 64 to 69 (inclusive), 88, 89, 96 to 98 (inclusive) and 118 of Table A shall not apply to the Company.
2. (A) In these Articles where the context so admits:-

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

"Articles" means the Articles of Association of the Company;

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"executed" means any mode of execution;

"holder" means in relation to any share the member whose name is entered in the register of members as the holder of the share;

"office" means the registered office of the Company;

"seal" means the common seal of the Company;

"secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company including a joint assistant or deputy secretary; and

"United Kingdom" means Great Britain and Northern Ireland.

- (B) References to the singular shall include the plural and references to the masculine include a reference to the feminine and neuter and vice versa.
- (C) Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- (D) Where an ordinary resolution of the Company is expressed to be required for any purpose a special or extraordinary resolution shall also be effective and where an extraordinary resolution is expressed to be required for any purpose a special resolution shall also be effective.
- (E) Headings are used for convenience only and shall not affect the construction of these Articles.

## SHARE CAPITAL

- 3. The authorised share capital of the Company at the date of adoption of these Articles is £750,000 which is divided into 1,500,000 Ordinary Shares of 50 pence each.

## ALLOTMENT OF SHARES

- 4 (A) Shares which are comprised in the authorised share capital of the Company at the date on which these Articles were adopted shall be under the control of the Board of directors who may (subject to Section 80 of the Act and to paragraph (C) below) allot, grant options over or otherwise

15 - 09 - 98

dispose of the same, to such persons, on such terms and in such manner as they think fit.

- (B) All shares which are not comprised in the authorised share capital of the Company at the date on which these Articles were adopted and which the Board of directors propose to issue shall first be offered to the members in proportion as nearly as may be to the number of existing shares of the same class of shares held by them respectively unless the Company in General Meeting shall by Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered, and limiting a period (not being less than fourteen days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provisions of this Article by any such Special Resolution as aforesaid shall be under the control of the Board of directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the members. The foregoing provisions of this paragraph (B) shall have effect subject to Section 80 of the Act.

- (C) The Board of directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital of the Company at the date on which these Articles were adopted at any time or times during the period of five years from such date and the Board of directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

5. Subject to the provisions of the Act the Company may:

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the member;
- (b) purchase its own shares (including any redeemable shares);

# 15 - 09 - 98

- (c) make a payment in respect of the redemption or purchase, under Section 159 or (as the case may be) Section 162 of the Act and the relevant power (1) and (2) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by Section 171 of the Act.

## CALLS

6. 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 of 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".

## TRANSFER OF SHARES

7. All transfers of shares shall be effected by instrument in writing in any usual or common form or in any other form acceptable to the directors.
8. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee.
9. In Regulation 24 of Table A the words "not being a fully paid share" shall be omitted.
10. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of members in respect thereof.
11. For the purpose of these Articles the renunciation or negotiation of any temporary document of title to any share shall constitute a transfer.

## GENERAL MEETINGS AND RESOLUTIONS

12. (A) A notice convening a General Meeting shall be required to specify the general nature of the business to be transacted only in the case of special business and Regulation 38 of Table A shall be modified accordingly.
- (B) Every notice convening 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. Notices of and other communications relating to any General Meeting which any member is entitled to receive shall be sent to the directors of the Company and to any alternate directors. It shall not be necessary to give any notice to the auditors for the time being of the Company save in respect of the Annual General Meeting. Regulation 38 of Table A shall be varied accordingly.
13. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business; save as

# 15 - 09 - 98

provided herein a quorum shall consist of ten members each of whom is present in person or by representative or by proxy.

14. 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 to the directors may determine, and if, at that adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
15. In Regulation 46 (6) of Table A the word "five" shall be substituted for the word "two".

## REPRESENTATIVES

16. Any person who is a member and who is also acting as the representative or proxy of a member or members or a person who is not a member and who is acting as the representative or proxy of two or more members or a person who is not a director acting as an alternate director for two or more directors or who is a director and who acts as an alternate director may sign a written resolution of the members or the directors (as the case may be) in more than one capacity, and he shall not be obliged to act in the same manner or to vote for or against such resolution in respect of each capacity in which he acts, but such a person who attends a General Meeting of the Company shall be counted once for each capacity in which he acts for the purpose of determining whether the quorum for the transaction of the business of the General Meeting exists.

## VOTES OF MEMBERS

17. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person by representative (if a corporation) or by proxy shall have one vote in respect of every Share held by him and on a poll every member shall have one vote for each Share of which he is the holder PROVIDED THAT in the case of a corporation a director or secretary thereof shall be deemed to be a duly authorised representative of such member.
18. An instrument appointing a proxy in any common or usual form or in such other form as the Board of directors may approve may be used in connection with any General Meeting of the Company.

## DIRECTORS

19. Unless and until otherwise determined by the Company in General Meeting the number of directors shall be not less than two.

15 - 09 - 98

ALTERNATE DIRECTORS

20. (A) Each director shall have the power at any time to appoint as an alternate director either another director or any other person approved for that purpose by a resolution of the directors, and, at any time, to terminate such appointment. Every appointment and removal of an alternate director shall be in writing signed by the appointor and (subject to any approval required) shall (unless the board of directors agrees otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company. The appointment of an alternate director shall automatically determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor shall cease for any reason to be a director otherwise than by retiring and being re-appointed at the same meeting.
- (B) An alternate director shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but otherwise be subject to the provisions of these Articles with respect to directors. An alternate director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- (C) An alternate director shall be entitled to receive notices of all meetings of the Board of directors and of any committee of directors of which his appointor is a member and to attend and to vote as a director at any such meeting at which his appointor is not personally present (including the right to a casting vote in the event of his acting as alternate for the Chairman) and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a director of his appointor and to receive notice of all General Meetings. A director or any other person may act as alternate director to represent more than one director and an alternate director shall be entitled at meetings of the Board of directors or at any committee of directors to the number of votes to which every director whom he represents would be entitled in addition to his own vote (if any) as a director but shall not count for more than one director for the purposes of a quorum at any directors' meeting.
- (D) An alternate director shall not require a share qualification but shall nevertheless be entitled to attend and speak at any General Meeting of the Company if his appointor is not present.

INTEREST OF DIRECTORS

21. A director (including an alternate director) who has duly declared his interest therein may, notwithstanding his interest, vote in respect of any contract or arrangement with the Company in which he is interested, directly or indirectly, and be taken into account for the purpose of deciding whether a quorum is present and



may retain for his own absolute use and benefit all profits and advantages accruing to him. Regulations 94 and 95 of Table A shall be modified accordingly.

## PROCEEDINGS OF DIRECTORS

22. (A) Subject to paragraph (C) of this Article the directors may meet together for the despatch of business as they think fit. The quorum for a meeting of directors or of a committee of directors shall (save in the case of a committee comprising one director only in which case the quorum shall be one) throughout the meeting be at least two directors (or their alternate directors).
- (B) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors.
- (C) At least seven days' previous notice in writing shall be given of every meeting of directors or of a committee of directors unless either all of the directors or all of the members consent in writing (which includes consent given by telex, facsimile or any other legible form) to the holding of a meeting on shorter notice. Such notice shall be given to all directors and also to all alternate directors and shall set forth the business to be discussed at such meeting and the meeting shall not be competent to deal with any business not referred to in such notice.
- (D) If within half an hour from the time appointed for the meeting of directors or of a committee of directors a quorum is not present the meeting shall stand adjourned to the same day in the next week at the same time and place or to 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 directors present or their alternates shall be a quorum.
23. Save as herein otherwise provided questions arising at any meeting of the Board of directors or of a committee of directors shall be decided by a majority of votes provided that in the case of an equality of votes the Chairman of the meeting of directors or of a committee of directors shall have a second or casting vote.
24. A resolution in writing signed by all the directors or their respective alternates shall be as effective for all purposes as a resolution passed at a meeting of the Board of directors duly convened and held and may consist of several documents in like form each signed by one or more of the directors and may be in the form of a telex, facsimile or any other legible form sent by any other similar method of transmission and unless the contrary shall be proved it shall be deemed to be duly and validly signed by the person purporting to sign the same and whose name appears in the text as the person signing the same.
25. The Board of directors may delegate any of the powers vested in it to a committee or committees. Any committee so formed shall, in the exercise of any powers

delegated to it, conform to any regulations that may be imposed upon it by the Board of directors.

26. It shall be necessary to give notice of a meeting of the Board of directors or of a committee of the directors to any director who is absent from the United Kingdom. Regulation 88 of Table A shall be modified accordingly.
27. All or any of the directors or any committee thereof may participate in a meeting of the directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and be heard by each other. Any person so participating shall be deemed to be present in person 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, if there is no such group, where the Chairman of the meeting is then present.

#### DISQUALIFICATION OF DIRECTORS

28. Regulation 81 of Table A as applicable to the Company shall be construed with the addition to paragraph (e) thereof of the words "unless he shall have appointed an alternate director who has not been similarly absent during such period".
29. Any person may be appointed or elected as a director whatever his age and no director shall be required to vacate his office by reason of his age or having obtained the age of seventy years or any other age.

#### INDEMNITY

30. (A) Every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, 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 144 or Section 727 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.
- (B) The directors shall have power to purchase and maintain for any director or other officer of the Company insurance against any such liability as is referred to in Section 310(1) of the Act pursuant to the provisions of Section 310(3) of the Act.