

Company Number: 07940335

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

PORTSMOUTH COMMUNITY FOOTBALL CLUB LIMITED (the "Company")

Circulation Date: 13th November 2017 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a special resolution (the "Resolution").

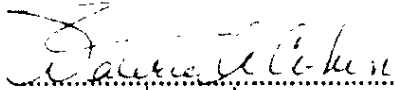
SPECIAL RESOLUTION

That the new Articles of Association attached to this resolution be approved and adopted as the Articles of Association of the Company in substitution for, and to the entire exclusion of, the existing Articles of Association.

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned irrevocably agrees to the Special Resolution:



Signed by Valerie A. Cohen, for
and on behalf of Portsmouth FC LLC

Date

Dec. 11, 2017



NOTES

1. If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following delivery methods:

- 1.1 By hand or by post: delivering the signed copy to Verisona Law, 1000 Lakeside, North Harbour, Portsmouth, Hampshire, PO6 3EN marked for the attention of Mr M. Dyer.

- 1.2 Email: by attaching a scanned copy of the signed document to an email and sending it to mike.dyer@verisonalaw.com. Please type "Shareholder Resolution - Portsmouth Community Football Club Limited" in the email subject box.

- 2 If you do not agree to the Resolution, you do not need to do anything; you will not be deemed to agree if you fail to reply.

Once you have indicated your agreement to the Resolution, you may not revoke your agreement.

- 3 Unless, by 23.59 on the date falling 28 days after the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.

- 4 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

PORTSMOUTH COMMUNITY FOOTBALL CLUB LIMITED



verisonalaw

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

PORTSMOUTH COMMUNITY FOOTBALL CLUB LIMITED

(the "Company")

(Adopted by special resolution passed on [•] 2017)

11 December

1 Application of model articles

1.1 The model articles of association for private companies contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 ("**Model Articles**") as in force at the date of adoption of these Articles shall apply to the Company, save insofar as they are excluded or modified by, or are inconsistent with, the following Articles.

1.2 In these Articles, reference to a particular Model Article is to that article of the Model Articles.

2 Definitions and interpretation

2.1 The Model Articles shall apply as if the following paragraph were included in the list of defined terms in Model Article 1:

"**clear days:** in relation to a period of a notice means that period excluding the day when the notice is deemed to be received (or, if earlier, received) and the day of the meeting;"

and as if the following words were deleted from Model Article 41(5):

"(that is, excluding the date of the adjourned meeting and the day on which the notice is given)-".

2.2 In these Articles the following words and expressions have the following meanings:

the Act: the Companies Act 2006,

alternate: as defined in Article 12 and **alternate director** has a corresponding meaning;

Club: Portsmouth Football Club;

Conflict Situation: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, including in relation to the exploitation of any property, information or opportunity and regardless of whether the Company could take advantage of the property, information or opportunity itself, but excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest (and any reference in this definition to a conflict of interest includes a conflict of interest and duty and a conflict of duties);

Controlling Shareholder: the holder from time to time of more than one half in nominal value of the issued ordinary share capital of the Company including (for the avoidance of doubt) any Shares held by a Nominee and any member holding all of the issued ordinary share capital of the Company;

Heritage Share: the single redeemable heritage share of £0.000001 in the capital of the Company;

Heritage Shareholder: means the holder of the Heritage Share from time to time;

Football Authority: each of the Football Association Limited, The Football League Limited and The Football Association Premier League Limited,

member: a person who is the holder of a Share;

Nominee: any person holding Shares as nominee or otherwise on trust for the Controlling Shareholder;

Ordinary Shares: the 5,763 ordinary shares of £1 each in the capital of the Company;

Shareholder: a holder of Shares; and

Shares: together, the Ordinary Shares and the Heritage Share and any shares of any other class issued by the Company.

- 2.3 Save as expressly provided otherwise in these Articles, words or expressions contained in the Model Articles and in these Articles bear the same meaning as in the Act as in force from time to time. The Model Articles shall apply as if the last paragraph of Model Article 1 (beginning "Unless the context otherwise requires") were deleted.
- 2.4 In the Model Articles and in these Articles, save in Article 1.1 or as expressly provided otherwise in these Articles:
- 2.4.1 any reference to any statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, whether before, on, or after the date of adoption of these Articles;
- 2.4.2 any reference to any legislation including to any statute, statutory provision or subordinate legislation ("**Legislation**") includes a reference to that Legislation as from time to time amended or re-enacted, whether before, on, or after the date of adoption of these Articles; and
- 2.4.3 any reference to re-enactment includes consolidation and rewriting, in each case whether with or without modification

3 Company name

The name of the Company may be changed by:

- 3.1 *special resolution of the members; or*
- 3.2 a decision of the directors; or
- otherwise in accordance with the Act

4 Directors to take decisions collectively

- 4.1 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 5.

- 4.2 If.
- 4.2.1 the Company only has one director, and
- 4.2.2 no provision of the Articles requires it to have more than one director,
- the general rule in Article 4.1 does not apply, and the 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 including, for the avoidance of doubt, Article 5.
- 4.3 Model Article 7 shall not apply.
- 5 Unanimous decisions**
- 5.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 5.2 Such a decision may take the form of a resolution in writing, of which each eligible director has signed one or more copies or to which each eligible director has otherwise indicated agreement in writing.
- 5.3 References in this Article 5 to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting (but exclude in respect of the authorisation of a Conflict Situation, the director subject to that Conflict Situation).
- 5.4 *Notwithstanding the requirements of Articles 5.1 to 5.3:*
- 5.4.1 if a person who is an alternate director indicates on behalf of his appointor whether or not he shares the common view his appointor is not also required to do so in order to satisfy those requirements,
- 5.4.2 if a director who has appointed an alternate indicates pursuant to Article 5.1 whether or not he shares the common view his alternate is not also required to do so in order to satisfy those requirements
- 5.5 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.
- 5.6 Model Article 8 shall not apply
- 6 Quorum for directors' meetings**
- 6.1 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but, save as set out in Articles 4.2 and 6.2, it must never be less than two, and unless otherwise fixed it is two. Model Article 11(2) shall not apply.
- 6.2 For the purposes of any directors' meeting (or part of a meeting) at which it is proposed to authorise a Conflict Situation in respect of one or more directors, if there is only one director in office other than the director or directors subject to the Conflict Situation, the quorum for such meeting (or part of a meeting) shall be one director.
- 6.3 At a directors' meeting:
- 6.3.1 a director who is also an alternate director may be counted more than once for the purposes of determining whether a quorum is participating;
- 6.3.2 a person who is an alternate director, but is not otherwise a director, shall be counted as participating for the purposes of determining whether a quorum is participating,

but only, in each case, if that director's or other person's appointor is not participating. If on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one director is participating.

7 Authorisation of directors' conflicts of interest

If a Conflict Situation arises, the directors may authorise it for the purposes of s.175(4)(b) of the Act by a resolution of the directors made in accordance with that section and these Articles. At the time of the authorisation, or at any time afterwards, the directors may impose any limitations or conditions or grant the authority subject to such terms which (in each case) they consider appropriate and reasonable in all the circumstances. Any authorisation may be revoked or varied at any time in the discretion of the directors

8 Voting at directors' meetings

8.1 Subject to these Articles, each director participating in a directors' meeting has one vote.

8.2 A director who is also an alternate director has an additional vote on behalf of his appointor provided:

8.2.1 his appointor is not participating in the directors' meeting; and

8.2.2 in respect of a particular matter:

8.2.2.1 his appointor would have been entitled to vote if he were participating in it, and

8.2.2.2 that matter is not the authorisation of a Conflict Situation of his appointor.

8.3 A person who is an alternate director, but is not otherwise a director, only has a vote if:

8.3.1 his appointor is not participating in the directors' meeting, and

8.3.2 in respect of a particular matter

8.3.2.1 his appointor would have been entitled to vote if he were participating in it, and

8.3.2.2 that matter is not the authorisation of a Conflict Situation of his appointor.

9 Directors voting and counting in the quorum

9.1 Save as otherwise specified in these Articles or the Act and subject to any limitations, conditions or terms attaching to any authorisation given by the directors for the purposes of s.175(4)(b) of the Act, a director (or his alternate) may vote on, and be counted in the quorum in relation to any resolution relating to a matter in which he (or, in the case of an alternate, his appointor) has, or can have.

9.1.1 a direct or indirect interest or duty which conflicts, or possibly may conflict, with the interests of the Company, and

9.1.2 a conflict of interest arising in relation to an existing or a proposed transaction or arrangement with the Company.

9.2 Model Article 14 shall not apply.

10 **Appointing and removing directors**

The Controlling Shareholder shall have the right at any time and from time to time to appoint one or more persons to be a director or directors of the Company. Any such appointment shall be effected by notice in writing to the Company by the Controlling Shareholder and the Controlling Shareholder may in like manner at any time and from time to time remove from office any director (whether or not appointed by it pursuant to this Article). The appointment or removal takes effect immediately on deposit of the notice or on such later date (if any) specified in the notice.

11 **Termination of director's appointment**

In addition to the circumstances set out in Model Article 18, a person also ceases to be a director if he is removed from office pursuant to Article 10 of these Articles.

12 **Appointment and removal of alternates**

12.1 Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by a decision of the directors:

12.1.1 to exercise that director's powers and carry out that director's responsibilities in relation to the taking of decisions by the directors; and

12.1.2 generally to perform all the functions of that director's appointor as a director, in each case in the absence of the alternate's appointor.

12.2 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.

12.3 The notice must:

12.3.1 identify the proposed alternate; and

12.3.2 confirm that the proposed alternate is willing to act as the alternate of the director giving the notice.

12.4 No person may be appointed as alternate to more than one director of the Company.

13 **Rights and responsibilities of alternate directors**

13.1 An alternate director has the same rights, in relation to any directors' meeting or a decision taken in accordance with Article 5, as the alternate's appointor.

13.2 Except as these Articles specify otherwise, alternate directors:

13.2.1 are deemed for all purposes to be directors,

13.2.2 are liable for their own acts and omissions;

13.2.3 are subject to the same restrictions as their appointors; and

13.2.4 are not deemed to be agents of or for their appointors.

13.3 An alternate director is not 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.

14 **Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

- 14.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 14.2 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;
- 14.3 on the death of the alternate's appointor; or
- 14.4 when the alternate's appointor's appointment as a director terminates.

15 **Directors' remuneration and other benefits**

- 15.1 A director may undertake any services for the Company that the directors decide.
- 15.2 A director is entitled to such remuneration as the directors decide (i) for his services to the Company as director, and (ii) for any other service which he undertakes for the Company.
- 15.3 Subject to the Articles, a director's remuneration may (i) take any form, and (ii) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 15.4 Unless the directors decide otherwise, a director's remuneration accrues from day to day.
- 15.5 Unless the directors decide otherwise, no director is accountable to the Company for any remuneration or other benefit which he receives as a director or other officer or employee of any of the Company's subsidiary undertakings or of any parent undertaking of the Company from time to time or of any other body corporate in which the Company or any such parent undertaking is interested
- 15.6 Model Article 19 shall not apply

16 **Share capital**

The share capital of the Company at the date of adoption of these Articles comprises:

- 16.1 the Ordinary Shares, and
- 16.2 the Heritage Share.

17 **Share rights**

The Ordinary Shares and the Heritage Share shall have the following rights and be subject to the following restrictions:

17.1 **Income**

- 17.1.1 Amounts which the Company may resolve to distribute in, or in respect of, any financial year, in relation to the Ordinary Shares, shall be apportioned amongst the holders of the *Ordinary Shares in proportion to the number of Ordinary Shares held by them respectively.*
- 17.1.2 No distribution (in cash or in specie) shall be paid or payable to the Heritage Shareholder in respect of the Heritage Share held by it.

17.2 **Capital**

- 17.2.1 On a return of capital, on liquidation or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be distributed to the Ordinary Shareholders in proportion to the number of Ordinary Shares held by them respectively **PROVIDED THAT**, after the distribution of the first

£999,000,000 of such surplus assets, the Heritage Shareholder shall be entitled to receive an amount in aggregate equal to the nominal value of the Heritage Share and after such amount has been paid to the Heritage Shareholder, the remaining assets of the Company shall be distributed to the Ordinary Shareholders in proportion to the number of Ordinary Shares held by them respectively.

17.3 Voting

17.3.1 Each Ordinary Share shall entitle its holder to receive notices of, to attend, speak or vote at any general meeting of the Company and to receive or vote on, or otherwise constitute an eligible member for the purposes of, any resolution of the Company.

17.3.2 The Heritage Share shall not entitle the Heritage Shareholder to receive notices of, to attend, speak or vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, any resolution of the Company.

17.4 Variation of rights

17.4.1 The class rights attaching to the Heritage Share shall be deemed to be varied by the occurrence of the following events.

17.4.1.1 a change to the name of the Club from "Portsmouth Football Club";

17.4.1.2 a material change to the principal colours of the 1st team home strip of the Club, other than a change to a principal colour or colours that are generally consistent with those which have previously been used as the principal colour or colours of the 1st team home strip of the Club;

17.4.1.3 the relocation of the principal home stadium of the Club from the football ground currently known as Fratton Park to a location which (i) is more than 15 miles from the football ground currently known as Fratton Park (as measured on a straight line basis from the existing centre spot of the football ground currently known as Fratton Park), (ii) has a postcode that begins with "SO"; or (iii) is situated on the Isle of Wight (except where at the time of such relocation, a bridge or tunnel links the Isle of Wight with either Portsmouth or the UK mainland); or

17.4.1.4 the Company doing, or incurring any legally binding obligation to do, any of the events described in this Article.

17.4.2 In respect of a deemed variation of the Heritage Share on the occurrence of an event described in Article 17.4.1, or the Company doing, or incurring any legally binding obligation to do, any of such events, the class rights attached to the Heritage Share may only be varied or abrogated with the written consent of the Heritage Shareholder.

17.4.3 In the event that the Heritage Shareholder is given written notice of a deemed variation of the Heritage Share on the occurrence of an event described in Article 17.4.1 which would require written consent to be provided by the Heritage Shareholder in accordance with Article 17.4.2, and such change is not rejected in writing by the Heritage Shareholder (or by notice in writing from at least three PST Directors or a total of at least four of the PST Directors and the President Directors (each such term as is defined in the articles of association of Pompey Heritage Share Holdco Limited)) within 15 business days of the

Heritage Shareholder being informed of such proposed change, for the purposes of Article 17 4.2 the Heritage Shareholder shall be deemed to have automatically given their written consent to such change.

18 All Shares to be fully paid up

18.1 No Share is to be issued other than fully paid.

18.2 Article 18.1 does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

18.3 Model Article 21 shall not apply.

19 Powers to issue different classes of Share

Model Article 22(2) shall apply as if the words ", and the directors may determine the terms, conditions and manner of redemption of any such shares" were deleted.

20 Issue of new Shares

20.1 The Company has the power to allot and issue Shares in the capital of the Company and to grant rights to subscribe for, or to convert any security into, Shares in the capital of the Company pursuant to those rights.

20.2 The directors may only exercise the power of the Company to allot and issue Shares or to grant rights to subscribe for, or to convert any security into, Shares, in order to allot or issue Shares to the Controlling Shareholder or some other person expressly approved by the Controlling Shareholder in writing. The powers of the directors pursuant to s.550 of the Act shall be limited accordingly

20.3 The provisions of ss.561 and 562 of the Act shall not apply to the Company.

21 Purchase of own Ordinary Shares

21.1 The Company may purchase its own Ordinary Shares in accordance with the provisions of the Act

21.2 The Company may finance the purchase of its own Ordinary Shares in any way permitted by the Act including by way of cash reserves up to the limits provided by the Act.

22 Redemption of Heritage Share

22.1 The Company shall, subject to the provisions of the Act, redeem the Heritage Share upon the earlier to occur of the following events:

22.1.1 a written request from the Heritage Shareholder signed by all PST Directors at such time and all President Directors at such time (each such term as is defined in the articles of association of Pompey Heritage Share Holdco Limited) being received by the Company, or

22.1.2 the date which falls on the day which is 50 years from the adoption of these Articles.

22.2 There shall be paid on each Heritage Share redeemed in accordance with this Article 3 an amount equal to the nominal value of the Heritage Share.

22.3 Redemption shall take place at the Company's registered office, or such other place in the United Kingdom as the Company may notify in writing to the Heritage Shareholder no later than five Business Days prior to the date of such redemption. On the due date, the Heritage Shareholder shall deliver to the Company at such place the certificate(s) for such Heritage

Share in order for them to be cancelled (or an indemnity in lieu of such certificate(s) in a form reasonably satisfactory to the directors). Upon such delivery the Company shall pay to the Heritage Shareholder the amount due to it in respect of such redemption pursuant to Article 22.2.

23 Transfer of Shares

23.1 Subject to Article 23.3, the directors shall register any transfer of Shares made to or by, or with the express written consent of, the Controlling Shareholder, or made pursuant to Article 23.2.

23.2 The Controlling Shareholder may at any time by notice given to the Nominee at the registered address of the Nominee shown in the register of members of the Company require the Nominee to transfer all or any Shares registered in his name to the Controlling Shareholder or any other person specified in the notice for no consideration. If the Nominee shall fail within 48 hours after service of the notice to transfer the Shares in question, the directors may authorise any person to execute on behalf of and as attorney or agent for the Nominee any necessary instrument of transfer and shall cause the name of the transferee to be entered in the register as the holder of the shares in question. After the name of the transferee has been entered in the register in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

23.3 The directors shall not register any transfer of the Heritage Share.

24 Procedure for declaring dividends

24.1 Except as otherwise provided by the rights attached to any Shares from time to time, all dividends shall be paid to the holders of Shares in proportion to the numbers of Shares on which the dividend is paid held by them respectively, but if any Share is issued on terms that it shall rank for dividend as from a particular date, or *pari passu* as regards dividends with a Share already issued, that Share shall rank for dividend accordingly.

24.2 Model Article 30(4) shall apply as if the words "the terms on which Shares are issued" were deleted and replaced with the words "the rights attached to Shares".

25 No interest on distributions

Model Article 32(a) shall apply as if the words "the terms on which the Share was issued" were deleted and replaced with the words "the rights attached to the Share".

26 Quorum for general meetings

26.1 If the Company has more than one member, the quorum for a general meeting shall be:

26.1.1 one member holding more than one half in nominal value of the issued Ordinary Shares and present in person or by proxy or by representative (and the presence of such a member shall be deemed for this purpose to constitute a valid meeting); or

26.1.2 if no such member is present, two members holding Ordinary Shares present in person or by proxy or representative.

26.2 If the Company has only one member, s.318 of the Act shall apply.

27 Communications

27.1 The company communications provisions (as defined in the Act) shall also apply to any document or information to be sent or supplied by or to the Company pursuant to these Articles

- 27.2 The provisions of s.1168 of the Act (hard copy and electronic form and related expressions) shall apply to the Company as if the words "and the Articles" were inserted after the words "the Companies Acts" in ss.1168(1) and 1168(7).
- 27.3 Section 1147 of the Act shall apply to any document or information to be sent or supplied by the Company to its members under the Companies Acts or pursuant to these Articles as if:
- 27.3.1 in s.1147(2) the words "or by airmail (whether in hard copy or electronic form) to an address outside the United Kingdom" were inserted after the words "in the United Kingdom";
 - 27.3.2 in s.1147(3) the words "48 hours after it was sent" were deleted and replaced with the words "when sent, notwithstanding that the Company may be aware of the failure in delivery of such document or information.";
 - 27.3.3 a new s. 1147(4)(A) were inserted as follows:

"Where the document or information is sent or supplied by hand (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered ";
 - 27.3.4 a new s. 1147(4)(B) were inserted as follows:

"Where the document or information is sent or supplied by any other means authorised in writing by the intended recipient, it is deemed to have been received by the intended recipient when the Company has carried out the action it has been authorised to take for that purpose", and
 - 27.3.5 Section 1147(5) were deleted.
- 27.4 Proof that a document or information sent by electronic means was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the document or information was properly addressed as required by s.1147(3) of the Act and that the document or information was sent or supplied.
- 27.5 In the case of members who are joint holders of Shares, anything to be agreed or specified by the holder may be agreed or specified by the holder whose name appears first in the register of members. Sched 5, Part 6, para 16(2) of the Act shall apply accordingly.
- 27.6 Model Article 48 shall not apply.
- 28 Company seals**
- Model Article 49(4)(b) shall not apply.
- 29 Indemnities, insurance and funding of defence proceedings**
- 29.1 This Article 29 shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Act. It does not allow for or provide (to any extent) an indemnity which is more extensive than is permitted by the Act and any such indemnity is limited accordingly. This Article 29 is also without prejudice to any indemnity to which any person may otherwise be entitled.
- 29.2 The Company.
- 29.2.1 shall indemnify any person who is a director of the Company, and shall keep indemnified each such person after he ceases to hold office; and
 - 29.2.2 may indemnify any other person who is an officer (other than an auditor) of the Company;

in each case out of the assets of the Company from and against any loss, liability or expense suffered or incurred by him in relation to the Company by reason of his being or having been a director or other officer of the Company.

29.3 The Company may indemnify any person who is a director of a company that is a trustee of an occupational pension scheme (as defined in s.235(6) of the Act) out of the assets of the Company from and against any loss, liability or expense suffered or incurred by him or them in connection with such company's activities as trustee of the scheme.

29.4 The directors may purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer (other than an auditor) of the Company or of any associated company (as defined in s.256 of the Act) of the Company or a trustee of any pension fund or employee benefits trust for the benefit of any employee of the Company.

29.5 The directors may, subject to the provisions of the Act, exercise the powers conferred on them by ss.205 and 206 of the Act to

29.5.1 provide funds to meet expenditure incurred or to be incurred in defending any proceedings, investigation or action referred to in those sections or in connection with an application for relief referred to in s.205 of the Act; or

29.5.2 take any action to enable such expenditure not to be incurred.

29.6 Model Articles 52 and 53 shall not apply

30 **Compliance with Football Authority rules**

30.1 The members and directors of the Company shall so exercise their rights, powers and duties and shall where appropriate use their best endeavours to ensure that others conduct themselves so that the business and affairs of the Company are carried out in accordance with the rules and regulations (as may be required) of the relevant Football Authority for the time being in force.

30.2 No proposed alteration to the provisions set out herein shall be effective unless the proposed alteration has been approved in writing by the appropriate Football Authority 14 days or more before the day on which the alteration is proposed to take place.

30.3 The office of a director shall be vacated if such person is subject to a decision of a Football Authority that such person be suspended from holding office or taking part in any football activity relating to the administration or management of a football club.

31 **Arbitration**

31.1 Subject to Article 31.2, all disputes.

31.1.1 between a Shareholder in that Shareholder's capacity as such and the Company and/or its directors arising out of or in connection with these Articles or otherwise; and/or

31.1.2 between a Shareholder in that Shareholder's capacity as such and the company's professional service providers; and/or

31.1.3 between the Company and the Company's professional service providers arising in connection with any claim within the scope of Article 31.1.2,

shall be exclusively and finally resolved under the LCIA Rules, which Rules are incorporated by reference into this clause.

31.2 Nothing in Article 31.1 shall prevent any party from applying to the English Courts for any order for an interim injunction pursuant to section 44(2)(e) (an "Interim Injunction") of the

Arbitration Act 1996 ("1996 Act") and the parties acknowledge and agree that section 44(5) of the 1996 Act shall not apply to such application for an Interim Injunction, but in all other manners shall apply in full. In the event that the provisions of section 44(5) of the Act cannot be excluded by this agreement of the parties then for the purposes of section 44(5) of the 1996 Act the arbitral tribunal and any arbitral or other institution or person vested by the parties (the "Tribunal") shall be deemed to have no power or be unable for the time being to act effectively, for the purposes of applying for an Interim Injunction, if the Tribunal cannot and/or does not finally resolve the dispute or difference within 48 hours of the dispute or difference being notified to the Tribunal

- 31.3 The tribunal shall consist of three arbitrators. One arbitrator shall be nominated by each of the two respective parties in the dispute and the third (who shall be the Chairman of the tribunal) shall be nominated by the two party nominated arbitrators.
- 31.4 The chairman of the tribunal must have at least 20 years' experience as a lawyer qualified to practise in a common law jurisdiction and each other arbitrator must have at least 20 years experience as a qualified lawyer.
- 31.5 The place of arbitration shall be London, England.
- 31.6 The language of the arbitration shall be English
- 31.7 These Articles constitute a contract between the Company and its Shareholders and between the company's Shareholders inter se. This Article 31 (as supplemented from time to time by any agreement to a similar effect between the company and its directors or professional service providers) also contains or evidences an express submission to arbitration by each Shareholder, the Company, its directors and professional service providers and such submissions shall be treated as a written arbitration agreement under the Arbitration Act 1996 of England and Wales and Article II of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (1958).
- 31.8 Each person to whom Article 31 applies hereby waives, to the fullest extent permitted by law: (i) any right under the laws of any jurisdiction to apply to any court of law or other judicial authority to determine any preliminary point of law, and/or (ii) any right he or she may otherwise have under the laws of any jurisdiction to appeal or otherwise challenge the award, ruling or decision of the tribunal

32 Winding-Up Provisions

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