

The Companies Acts, 1862 to 1900

The Companies Acts 1948 to 1981

COMPANY LIMITED BY SHARES

MEMORANDUM of ASSOCIATION

of

HEART OF MIDLOTHIAN
FOOTBALL CLUB p.l.c.

1. The name of the Company is the "HEART OF MIDLOTHIAN FOOTBALL CLUB p.l.c.
2. The Company is to be a public company.
3. The Registered Office of the Company will be situated in Scotland.
4. The objects for which the Company is established are:
 - (1) To acquire and take over as a going concern the undertaking and all or any of the assets and liabilities of the Heart of Midlothian Football Club Limited, Edinburgh, and, with a view thereto, to enter into the agreement referred to in Clause 3 of the Company's Articles of Association, and to carry the same into effect, with or without modification.
 - (2) To carry on the business of a Football Club, and promote the practice and exercise of Football, Cricket, Lacrosse, Pushball, Lawn Tennis, Hockey, Bowls, Cycle Riding, Motoring, Running, Jumping and other athletic sports, games and exercises; and to establish, engage and maintain teams of football and other players, whether amateur or professional; and to hold and arrange football and other matches and competitions; and to buy, sell, exchange or hire all articles, implements, fixtures, furniture, apparatus and things used in the playing or practice of such games or pursuits and any other implements, or things used or required therefor, or for the promotion of the objects of the Company, including prizes to be given in any competition promoted by the Company.
 - (3) To carry on, prosecute, conduct and manage the business or businesses of Wine and Spirit Merchants, or of Restaurant, Buffet or Cafe Proprietors, Lessees, or

Occupiers, Contractors for, or Purveyors and Vendors of, Provisions and Refreshments of all kinds, and any other business which may seem to the Company capable of being conveniently carried on in connection with any of the Company's objects, or calculated directly or indirectly to enhance the value of, or render profitable, any of the Company's property or rights.

(4) To buy, sell and deal in all kinds of apparatus and all kinds of provisions, liquid and solid, required by persons frequenting the Company's grounds and premises.

(5) To acquire money by gift or subscription and to distribute the same in or about the furtherance of all or any of the objects of the Company and to raise or grant sums of money to be awarded as prizes or otherwise in connection with any such objects, on such terms as may be prescribed.

(6) To join in and promote competitions for challenge cups or other similar competitions for the purpose of the Company, or for the benefit of charities or other like objects.

(7) To make, improve, revise, amend, establish or alter the rules regulating any or all of the sports and pastimes above enumerated.

(8) To co-operate or join with any person or persons, club, company or association having the same or like objects, in any manner, and for any purpose which may be thought proper in furtherance of the objects of the Company.

(9) To acquire and undertake the whole or any part of the business, property and undertaking of any other company, partnership or individual carrying on any business which this Company is authorised to carry on, and to pay for such business, property and undertaking in cash, or in shares, stock, or debenture of the Company, or partly in each of such modes.

(10) To acquire an interest in, or amalgamate with or enter into partnership or into any arrangement for sharing profits or interests, or for co-operation, or for limiting competition, or for mutual assistance with any company, partnership, association or individual carrying on, or about to carry on, any business, undertaking or transaction which the Company may legally carry on or enter into, or any business, undertaking or transaction capable of being conducted so as, directly or indirectly, to benefit the Company, and to give or accept, by way of consideration for any such acts or things, cash, shares, debentures, stock or securities and to hold and retain or sell, mortgage and deal with any shares, debentures or securities so

received, or to distribute the same among the members of the Company.

(11) To sell, dispose of or transfer the business, property and undertaking of the Company or any part thereof in consideration of payment in cash, or in shares, or stock, or in debentures or other securities of any other company, or partly in each of such modes of payment, or for such other consideration as may be deemed proper, and to distribute the price, however paid or satisfied, among the members in or towards the satisfaction of their interests in the assets of the Company.

(12) To promote any other company for the purpose of carrying on any business which the Company is authorised to carry on, or for acquiring all or any of the property, rights and liabilities of the Company, or for any other purpose which may seem, directly or indirectly, calculated to benefit the Company.

(13) To acquire by absolute title, lease or otherwise, and hold, let and use lands, heritages and real property, and rights in lands, heritages and real property.

(14) To acquire, construct, fit up and maintain, alter or remove such buildings, stands, pavilions, refreshment and recreation rooms, cycle and other tracks, roads, approaches and other erections and works necessary or convenient for the purposes of the Company.

(15) To sell, feu, excamb, improve, develop, lease, bond, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.

(16) To fix and enforce a scale of charges and regulations for admission to the grounds, buildings, pavilions and stands of the Company and generally to manage the same as may be required for the objects of the Company.

(17) To subscribe to, and become a member of, the Scottish Football Association and the Scottish Football League or any other Association, League, Alliance or Company having objects altogether or in part similar to those of the Company.

(18) To insure against losses, damage, risks, claims and liabilities of all kinds, whether for loss of life or personal injury (including power to insure players of the Company against accident for their own benefit), or for loss and damage to property, and that by insurance effected with other companies or persons, or by joining any association for mutual or other

insurance, indemnity or protection or by all of these modes.

(19) To invest the monies of the Company not immediately required upon such securities as may from time to time be determined.

(20) To borrow any sum or sums of money by way of discount, cash credit, or overdraft, or upon bond, debentures, mortgage, promissory note, or receipt, or in any other manner; and to grant security for all or any of such sums and by way of such security to dispense, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, including capital, or to dispense, transfer or convey the same absolutely or in trust, and to give to creditors powers of sale and other usual and necessary powers; and also to raise money by issue of debentures or preference stock.

(21) To advance money by way of loan or otherwise with or without security to any company, association or individual and to allow time for repayment of any such loan; and to grant guarantees for the payment of any sum or sums of money, or the performance of any contract or obligation by any company, association or individual.

(22) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange and other negotiable instruments.

(23) To permit and allow any person or persons, club or society to use and enjoy lands, buildings, pavilions and stands and other property of the Company for such purpose and upon such terms and conditions as shall be fixed and determined.

(24) To arrange with amateur football players, cricketers and other athletes and to hire, employ and pay professional football players, cricketers and other professional athletes, officials and also servants and workmen for attending to the ground or property for the time being of the Company, taking gate money at matches, sports and festivals and for carrying out any other object which the Company shall think advisable.

(25) To pay all or any expenses incurred in connection with the negotiations, formation, promotion and incorporation of the Company and remunerate any persons for rendering services to the Company and that either in proportion to the returns or profits of the Company, or of any particular business carried on by it, or otherwise, as the Directors may think fit.

(26) To make gifts or grant bonuses to persons in the employment of the Company and to provide for the

welfare of persons in, or formerly in, the employment, and the wives, widows, children and other dependants of such persons and to give or make donations, subscriptions or other payments or benefits to any person, or to public, charitable, educational, trade or other institutions or objects.

(27) To use any sum which may be set aside as a reserve fund, or special reserve fund, as working capital, or in any other way the Company may deem right or suitable; or to invest the same upon such securities as may from time to time be determined, or in the erection of tenements or dwellinghouses or shops and dwellinghouses.

(28) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

5. The liability of the members is limited.

6. The capital of the Company is £5,000*, divided into Shares of £1 each, with power to increase the capital, and to issue any part of its capital, original or increased, with such preferential, deferred or special rights, privileges, or conditions, as may be determined by, or in accordance with, the regulations of the Company. The Company has also power to reduce the capital, and to subdivide or consolidate the Shares.

* Note

On 28th April, 1980 the existing 5,000 Shares of £1 in the capital of the Company were subdivided into 50,000 Shares of 10p each and the capital was increased to £20,000 by the creation of 150,000 Shares of 10p each ranking pari passu in all respects with existing Shares.

On 21st May, 1981 the capital of the Company was further increased to £50,000 by the creation of 300,000 Shares of 10p each ranking pari passu in all respect with the existing Shares.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names.

| Names, Addresses and Description of Subscribers | Number of Shares taken by each Subscriber |
|--|--|
|--|--|

| | |
|--|-----------|
| WILLIAM LORIMER 19 Beaverhall Terrace, Edinburgh Venetian Blindmaker | One Share |
| JOHN CAMPBELL 115 Leven Terrace, Edinburgh Butcher | One Share |
| WILLIAM CAMERON PEAT BROWN 23 Murieston Crescent, Edinburgh Joiner | One Share |
| WILLIAM DAVIDSON TELFER 22 Mertoun Place, Edinburgh Sanitary Inspector | One Share |
| THOMAS WATERSTON 30 Duff Street, Edinburgh Dairy Inspector | One Share |
| JAMES GALBRAITH ROBERTSON 112 Causewayside, Edinburgh Tobacconist | One Share |
| ROBERT CHEYNE 161 Dalry Road, Edinburgh Butchers' Contractor | One Share |
| JOHN ALEXANDER MURRAY 10 Polwarth Terrace, Edinburgh Spirit Merchant | One Share |
| JAMES GREIG 96 Nicolson Street, Edinburgh Joiner | One Share |

Dated the fourth and seventh days of April 1905

Witness to the signing hereof by all of the above parties

JAMES G. BRYSON
of 50 George Street, Edinburgh

Solicitor.

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COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

(as altered by Special Resolutions passed on 28th April, 1980, 21st May, 1981, 29th July, 1981, 28th July, 1983, 26th September 1989 and 29th November 1991)
of

HEART OF MIDLOTHIAN FOOTBALL CLUB p.l.c.

1. Subject as hereinafter provided the regulations contained in Table A, Part I in the first schedule of the Companies Act 1948 (hereinafter referred to as "Table A") shall apply to this Company.

2. Subject as hereinafter mentioned the Directors may carry out the objects of the Company whether the whole of the shares shall have been subscribed or not, and they may allot the shares as and when they think proper.

3. No member shall hold shares of a nominal value of less than £10 in aggregate; providing that

(a) for the purposes of the foregoing limit a joint holding shall be deemed to be divided equally between each of the joint holders; and

(b) this Article shall not apply to any member holding (whether jointly or solely) shares of a nominal value of less than £10 in aggregate at the time of the adoption of this Article or to any spouse or issue of a member or deceased member to whom a share or shares are transferred or transmitted.

TRANSFER OF SHARES

4. Regulation 24 of Table A shall be struck out and the following regulation substituted thereof:

"The Directors may refuse to register a transfer of any share on which the Company may have a lien, or in the case of a share not fully paid up, where they are not satisfied as to the financial standing of the proposed transferee, or, in the case of a fully paid up share, where the Directors are not satisfied that it is in the

true interests of the Company that such a transfer should take place and they shall not be bound to specify the grounds upon which registration is declined."

5. In the event of the Directors being asked at any time to find a purchaser or transferee for any share or shares belonging to a member, or being asked by the executors or representatives of a deceased member to find a purchaser or transferee for any share or shares belonging to a deceased member, such share or shares shall only be acquired by or transferred to, persons who have intimated to the Directors that they wish to acquire shares. The price to be paid for the shares shall be arranged between seller and buyer. In the event of there being more than one applicant, such share or shares shall be balloted for by the Directors and the ballot shall be conclusive and final.

SEASON TICKETS

6. Every member (except, in the case of a joint holding, any member other than the first member appearing on the Register of Members in respect of such joint holding) on the Register of Members on the 15th day of May immediately preceding the commencement of the football season in that year shall be entitled (subject to application being made by a date to be prescribed in each year by the Directors and thereafter subject to availability) to purchase from the Company one Season Ticket for admission to the Centre Stand. The price or prices payable for such Season Ticket shall be determined by Ordinary Resolution of the members at the Annual General Meeting of the Company for the year preceding the year in which the relevant season commences. Such Resolution may provide:

(a) that the price payable shall be a variable price according to the number of shares held by the purchasing member; and

(b) that the price payable by a member who is on the said last mentioned date over the age of 65 may be lower than that paid by a member who is not on the said date over the said age.

All classes of Season Ticket shall be subject always to any regulations for the time being of any football association, league or alliance of which the Company may be a member.

PROCEEDINGS AT GENERAL MEETINGS

7. Regulation 53 of Table A shall be struck out and the following regulation substituted therefor:

"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. Twenty members present, whether Directors or not, shall constitute a

quorum."

VOTES OF MEMBERS

8. No instrument appointing a proxy shall be valid after the expiry of twelve months from the date of its execution.

DIRECTORS

9. Regulation 75 of Table A shall be struck out and the following regulation substituted therefor:

"The number of Directors of the Company shall not exceed seven."

10. During such period as Pentland Securities Limited shall be holder of 25.1 per cent or more of the issued Ordinary Shares of the Company Pentland Securities Limited shall be entitled to nominate one Director of the Company. Alexander Wallace Mercer, a Director of the Company at the date of the adoption of this Article shall be deemed to be a Director so nominated. The Ordinary Shares of the Company shall not be redesignated without the sanction of a Special Resolution of the Company. A Director nominated under this Article may at any time be removed and any vacancy caused by such Director ceasing to hold office may be filled by a further nomination made by Pentland Securities Limited. In the event of any Resolution being proposed at any General Meeting of the Company to remove any Director nominated in accordance with this Article, on a poll upon such Resolution the vote or votes cast by any member or members voting against such Resolution shall be deemed to be increased to such an extent that will ensure that the total number of votes cast against such Resolution amounts to at least 51 per cent of the total votes cast upon such Resolution. In the event of any Resolution being proposed at any General Meeting of the Company to re-appoint, following his retirement by rotation, any Director nominated as aforesaid, on a poll upon such Resolution the vote or votes cast by any member or members voting in favour of such Resolution shall be deemed to be increased to such an extent as will ensure that the total number of votes cast for such Resolution amounts to at least 51 per cent of the total votes cast upon such Resolution. Any nomination or removal of a Director pursuant to this Article shall be effected by notice in writing given to the Company.

11. Notwithstanding Regulation 80 of Table A the Directors shall not have power without the authority of a Special Resolution of the Company passed in General Meeting to sell, feu, lease, exchange or otherwise dispose of the heritable property of the Company provided that nothing in this Article contained shall prevent the Directors without the authority of such a Special Resolution from granting a heritable or other security over the heritable property of the Company or any part or parts thereof or from selling, exchanging or otherwise disposing of or granting any feu or lease of any part of such heritable property which in the

reasonable opinion of the Directors shall not constitute a substantial part thereof.

12. Regulation 77 of Table A shall be struck out and the following regulation substituted therefor:

"The qualification of a Director shall be the holding in his own right of one share of the Company".

13. Regulation 79 of Table A shall be struck out and the following regulation substituted therefor:

"The Directors may exercise all the powers of the Company to borrow and raise money without limit as to amount and upon such terms and in such manner as they think fit and to grant any mortgage, charge or security over its undertaking, property, and uncalled capital, or any part thereof, and, subject (in the case of any security convertible into shares or other relevant securities) to Section 80 of the Companies Act 1985, to 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."

14. Regulation 87 of Table A shall be struck out.

15. Regulations 88 of Table A shall be amended by the deletion of the words "or 185" where they occur in sub-section (a).

16. Any person may be appointed or re-appointed a Director of the Company notwithstanding that at the time of his appointment or re-appointment he shall have attained the age of 70 and no Director of the Company shall vacate his office by reason of his having attained the age of 70 or any other age. No special notice need be given of any Resolution for the appointment or re-appointment or approving the appointment as a Director of a person who shall have attained the age of 70 and it shall not be necessary to give the members notice of the age of any Director or person proposed to be appointed or re-appointed as such.

17. Regulation 93 of Table A shall be struck out and the following regulation substituted therefor:

"The election of Directors shall take place at the Annual General Meeting and not less than twenty-eight days prior to the date thereof nominations for vacancies in the Directorate shall be sent to the Secretary at the Registered Office of the Company. The latest date for receiving nominations shall be intimated annually in the local press, and such press notice shall be inserted not later than one week prior to the last date for receiving such nominations. If the number of candidates exceeds the number to be elected, a ballot shall take place at the said Meeting.

Any candidate may withdraw his name by notice (in writing) to the Secretary not less than four days prior to the election.

The nomination paper which may be obtained from the Secretary shall be in the following form:-

I hereby nominate (insert full name and occupation).

.....

of (state residence)
as a candidate for the ensuing election of Directors of
the Heart of Midlothian Football Club p.l.c.

(Signature).....

(Address).....

(Signature).....

(Address).....

I second such nomination.

(Signature).....

(Address).....

I accept such nomination.

(Signature).....

(Date).....

and when so completed shall be sent to the Secretary as before specified."

DIVIDENDS AND RESERVE

18. Notice of any dividend that may have been declared shall be given to each member, and all dividends unclaimed for three years after having been declared may be forfeited by the Directors for the benefit of the Company.