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1.9 Article 36(3) of the Model Articles shall be amended by inserting the words "paying up the amounts (if any) unpaid on shares in issue or in" after the words "applied in".

1.10 In these Articles, the following expressions shall have the following meanings unless the context otherwise requires:

<b>Act</b>	the Companies Act 2006;
<b>Articles</b>	the Company's articles of association for the time being in force;
<b>Board</b>	the board of directors of the Company;
<b>Business Day</b>	any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;
<b>Conflict</b>	has the meaning given in Article 9.1;
<b>Director</b>	a director of the Company from time to time;
<b>eligible director</b>	a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
<b>Encumbrance</b>	any mortgage, charge (fixed or floating), pledge, lien, hypothecation, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement) having similar effect;
<b>the FA</b>	Football Association Limited (CRN: 00077797) whose registered office is at Wembley Stadium, Wembley, London, HA9 0WS;
<b>Members</b>	the holders of shares of £0.50 each in the Company from time to time;
<b>Model Articles</b>	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles; and
<b>partly paid</b>	in relation to a share, means that part of that share's nominal value or any premium at which it was issued has not been paid to the Company.

1.11 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles,

subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

1.12 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.13 A reference in these Articles to an "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.14 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

1.14.1 any subordinate legislation from time to time made under it; and

1.14.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

1.15 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

## **2. Name and registered office**

2.1 The name of the Company is Blyth Spartans Association Football Club Limited.

2.2 The Registered Office of the Company will be situated in England.

## **3. Objects**

The Objects for which the Company is established are:

3.1 to promote the game of football and other athletic sports and past-times, and for that purpose to engage the services of professionals and amateurs;

3.2 to hold and arrange football and other matches and competitions;

3.3 to subscribe to, become a member of, and co-operate with any other association, whether incorporated or not, whose objects are altogether or in part similar to those of this Company;

3.4 to provide facilities for refreshment, solid and liquid, required by persons frequenting the Company's ground;

3.5 to carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property;

- 3.6 to purchase or by any other means acquire any freehold, leasehold, or other property for any estate or interest whatever, and any rights, privileges, or easements over or in respect of any property, and any offices or other buildings, and any real or personal property or rights whatsoever which may be necessary for, or may be conveniently used with, or may enhance the value of any other property of the Company;
- 3.7 to invest and deal with the moneys of the Company not immediately required in such shares or upon such securities and in such manner as may from time to time to be determined;
- 3.8 to borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised or owing, by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake;
- 3.9 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments;
- 3.10 to enter into any arrangements with any Governments or authorities (supreme, municipal, local or otherwise) or any companies, firms or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, company, firm or person any charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions;
- 3.11 to subscribe for, take, purchase or otherwise acquire and hold shares or other interests in or securities of any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being carried on so as directly or indirectly to benefit this Company;
- 3.12 to remunerate any person, firm or company rendering services to this Company, either by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient;

- 3.13 to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling or guaranteeing the subscription of any shares, debentures, debenture stock or securities of this Company;
- 3.14 to support and subscribe to any charitable or public object, and any institution, society or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business, to give pensions, gratuities or charitable aid to any persons who may have been Directors or may have served the Company, or to the wives, children or other relatives or dependents of such persons; to make payments towards insurance; and to form and contribute to provident and benefit funds for the benefit of any of such persons or of their wives, children or other relatives or dependents;
- 3.15 to promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking any of the liabilities of this Company, or of undertaking any business or operations which may appear likely to assist or benefit this Company or to enhance the value of any property or business of this Company, and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;
- 3.16 to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same;
- 3.17 to distribute among the Members of the Company in kind any property of the Company, and in particular any shares, debentures or securities of other companies belonging to this Company or of which this Company may have the power of disposing; and
- 3.18 to do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

#### 4. **Borrowing Powers**

- 4.1 The Directors may raise or borrow for the purposes of the Company's business such sum or sums of money as they think fit, but so that the whole amount so raised or borrowed, and outstanding at any one time shall not, without the consent of the Company in a general

meeting, exceed the amount of the share capital of the Company for the time being issued or agreed to be issued. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future, including its uncalled capital, or by the issue, at such price as they may think fit, of bonds, debentures, or debenture stock, either charged upon the whole or any part of the property and assets of the Company or not so charged, or in such other way as the Directors may think expedient.

4.2 No mortgage or other security or charge upon any assets of the Company to secure more than the principal money advanced, and interest at the rate of seven and a half percent per annum, shall be issued without the previous consent of the Football Association. All loans to the Company, except with the previous consent of the Football Association, shall be limited to the same rate of interest.

## 5. **Directors' decisions**

5.1 Decisions of the directors may be taken:

5.1.1 at a directors' meeting; or

5.1.2 in the form of a directors' resolution.

5.2 Any director may propose a directors' resolution in writing, or by email or other electronic communication.

5.3 The company secretary (if one has been appointed) must propose a directors' resolution if a director so requests.

5.4 A directors' resolution is proposed by giving notice of the proposed resolution to the directors.

5.5 Notice of a proposed directors' resolution must indicate:

5.5.1 the proposed resolution; and

5.5.2 the time by which it is proposed that the directors should adopt it.

5.6 Notice of a proposed directors' resolution must be given to each director.

5.7 Any decision which a person giving notice of a proposed directors' resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

5.8 A proposed directors' resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it,



or otherwise electronically indicated their agreement, provided that those directors would have formed a quorum at such a meeting.

5.9 It is immaterial whether any director signs or agrees to the resolution before or after the time by which the notice proposed that it should be adopted.

5.10 Once a directors' resolution has been adopted, it must be treated as if it had been taken at a directors' meeting in accordance with the Articles.

5.11 The company secretary must ensure that the Company keeps a record, in writing, of all directors' resolutions for at least ten years from the date of their adoption. If no company secretary has been appointed then the directors must ensure that the Company keeps such a record.

5.12 In accordance with section 79 of the Act, the Company may change its name by decision of the directors.

## **6. Quorum for directors' meetings**

6.1 Subject to Article 6.2, the quorum for the transaction of business at a meeting of directors is any 3 (three) eligible directors.

6.2 For the purposes of any meeting (or part of a meeting) if there is only one eligible director in office, the quorum for such meeting (or part of a meeting) shall be one eligible director.

6.3 Where the number of directors in office is less than 3 (three) then the directors in office may convene a directors' meeting and constitute a quorum for the purposes of appointing additional directors.

## **7. Casting vote**

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

## **8. Transactions or other arrangements with the Company**

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

8.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

- 8.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
- 8.3 shall be entitled to vote (and count in the quorum) at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
- 8.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 8.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 8.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

9. **Directors' conflicts of interest**

9.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest **(Conflict)**.

9.2 Any authorisation under this Article will be effective only if:

9.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

- 9.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and
- 9.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.
- 9.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
- 9.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
- 9.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
- 9.3.3 be terminated or varied by the directors at any time.
- This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.
- 9.4 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
- 9.4.1 disclose such information to the directors or to any director or other officer or employee of the Company; or
- 9.4.2 use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence.
- 9.5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:
- 9.5.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
- 9.5.2 is not given any documents or other information relating to the Conflict; and
- 9.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.
- 9.6 Where the directors authorise a Conflict:

9.6.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and

9.6.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

9.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company by Member resolution (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

#### 10. **Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be less than 4 (four) nor more than 12 (twelve).

#### 11. **Appointment of directors**

11.1 Subject to Article 11.3, the directors have shall the power at any time and from time to time to appoint any other person to be a director of the Company, either to fill a casual vacancy or as an addition to the Board, but so that the total number of directors shall not at any time exceed the maximum number fixed in Article 10. Any director so appointed shall hold office only until the next Annual General Meeting, when he shall retire but shall be eligible for re-election.

11.2 In order to be eligible to be a director of the Company, a person must, within 2 (two) months of appointment, hold at least £1 (one pound)'s worth of shares in the Company.

11.3 In any case where, as a result of death or bankruptcy, the Company has no Members and no directors, the transmittee(s) of the last Member to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

#### 12. **Remuneration of directors**

A director shall not be entitled to receive any remuneration in respect of his office as a director or as an employee of the Company but he shall be entitled to be repaid any

disbursements or travelling expenses properly incurred by him in the performance of his duties.

### **13. Termination of a director's appointment**

A person ceases to be a director as soon as:

- 13.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
- 13.2 a bankruptcy order is made against that person;
- 13.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 13.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 13.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- 13.6 notification in writing of at least one month is received by the Company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms; or
- 13.7 he is convicted of an indictable offence, not being an offence under the Road Traffic Act 1988;
- 13.8 that person ceases to hold the required percentages of shares in the Company;
- 13.9 that person is absent from meetings of directors for a period of 6 (six) calendar months without special leave of absence from the other directors;
- 13.10 that person is suspended by the FA from taking part in football management; or
- 13.11 that person receives notice signed by all of the other directors stating that that person should cease to be a director.

### **14. Managing Director**

The Directors may from time to time entrust to and confer upon the Managing Director or manager all or any of the powers of the Directors (excepting the power to make calls, forfeit shares, borrow money, or issue debentures) that they may think fit. But the exercise of all such powers by the Managing Director or manager shall be subject to such regulations and

restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn, revoked, or varied.

**15. Company secretary**

The directors may appoint any person who is willing to act as a company secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors. If no such person is appointed, the Company shall not need a company secretary.

**16. Shares, Share capital and issue of Shares**

16.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares:

16.1.1 fully paid or partly paid; and

16.1.2 with such rights or restrictions as may be determined by a special resolution.

16.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the Member with such terms, conditions and manner of redemption of any such shares as are determined by special resolution or set out in the Articles.

16.3 Subject to the remaining provisions of this Article 16, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to:

16.3.1 offer or allot;

16.3.2 grant rights to subscribe for or to convert any security into;

16.3.3 otherwise deal in, or dispose of,

any ordinary shares of £0.50 each in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

16.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

16.5 Subject to these Articles, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

16.6 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

17. **Share rights**

17.1 **Dividends**

The shares shall entitle each Member to a proportion of any dividends or distributions that are made or declared by the Company and/or the Directors to the amounts for the time being paid up thereon.

17.2 **Voting**

The shares shall confer each Member thereof a right of one vote for each share held.

17.3 **Redemption**

The shares shall not be redeemable.

17.4 **Capital**

Upon a winding up of the Company any surplus of assets and on a sale of the entire issued share capital of the Company any net proceeds of sale (**Proceeds**) shall be distributed in accordance with the provisions of Article 32 (Winding Up).

17.5 **Member season tickets**

A Member may have issued to him a season ticket or tickets subject to a deduction of five per cent from the amount charged to non-holders of shares. Tickets so raised shall not be sold and the privilege granted under this Article shall be restricted to such Member and, in the case of transference or death, to such member of his family as shall become the Member. The privilege cannot be sold or granted to any other transferee.

18. **Annual General Meeting**

A general meeting of the Company shall be held in the month of August in each calendar year at such time and place as the Directors shall appoint. In default of a general meeting being so held a general meeting may be convened, to be held at any time during the next succeeding month, by any two Members in the same manner as nearly as possible as that in which general meetings are to be convened by the Directors.

19. **Lien**

- 19.1 The Company has a lien (**Company's Lien**) over every share which is partly paid for any part of:
- 19.1.1 that share's nominal value; and
  - 19.1.2 any premium at which it was issued,
- which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice (served pursuant to article 20) has been sent in respect of it.
- 19.2 The Company's Lien over a share:
- 19.2.1 takes priority over any third party's interest in that share; and
  - 19.2.2 extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.
- 19.3 The directors may at any time decide that a share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.
- 19.4 The Company may sell in such manner as the directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen days after notice has been given to the Member or to the person entitled to it in consequence of the death or bankruptcy of the Member, demanding payment and stating that if the notice is not complied with the shares may be sold.
- 19.5 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 19.6 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.



20. **Calls**

- 20.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (**Call Notice**) to a member requiring the member to pay the Company a specified sum of money (**call**) which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.
- 20.2 A Call Notice:
- 20.2.1 may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the Company by way of premium);
- 20.2.2 must state when and how any call to which it relates it is to be paid; and
- 20.2.3 may permit or require the call to be paid by instalments.
- 20.3 A member must comply with the requirements of a Call Notice, but no member is required to pay any call before 14 days have passed since the notice was sent.
- 20.4 Before the Company has received any call due under a Call Notice the directors may:
- 20.4.1 revoke it wholly or in part; or
- 20.4.2 specify a later time for payment than is specified in the notice,
- by a further notice in writing to the member in respect of whose shares the call is made.
- 20.5 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 20.6 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 20.7 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that Call Notices be sent to the Member which may require them:
- 20.7.1 to pay calls which are not the same; or
- 20.7.2 to pay calls at different times.
- 20.8 A Call Notice need not be issued in respect of sums which are satisfied, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
- 20.8.1 on allotment;
- 20.8.2 on the occurrence of a particular event: or
- 20.8.3 on a date fixed by or in accordance with the terms of issue.

20.9 If the due date for payment of such sum has passed and it has not been paid, the Member concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

20.10 If a person is liable to pay a call and fails to do so by the call payment date:

20.10.1 the directors may issue a notice of intended forfeiture to that person, and

20.10.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

20.11 For the purposes of this Article:

20.11.1 the **call payment date** is the time when the Call Notice states that a call is payable unless the directors give a notice specifying a later date, in which case the call payment date is that later date;

20.11.2 the relevant rate is:

20.11.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;

20.11.2.2 such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the directors; or

20.11.2.3 if no rate is fixed in either of these ways, at the appropriate rate defined by the Act.

20.12 The directors may waive any obligation to pay interest on a call wholly or in part.

## 21. **Forfeiture**

21.1 A notice of intended forfeiture:

21.1.1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

21.1.2 must be sent to the Member or to a person entitled to it by reason of the Member's death, bankruptcy or otherwise;

21.1.3 must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of this notice;

21.1.4 must state how the payment is to be made;

- 21.1.5 must state that if the notice is not complied with, the shares in respect of which the call is payment will be liable to be forfeited.
- 21.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the director may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.
- 21.3 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the Member or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.
- 21.4 A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 21.5 A statutory declaration by a director or the company secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

## 22. **Share certificates**

22.1 The Company must issue each Member, free of charge, with one or more certificates in respect of the shares which that Member holds.

22.2 Each certificate must specify:

22.2.1 in respect of how many shares, of what class, it is issued;

22.2.2 the nominal value of those shares;

22.2.3 that the shares are fully paid or otherwise; and

22.2.4 any distinguishing numbers assigned to them.

22.3 No certificate may be issued in respect of shares of more than one class.

22.4 If more than one person holds a share, only one certificate may be issued in respect of it.

22.5 Certificates must:

22.5.1 (where applicable) have affixed to them the Company's common seal; or

22.5.2 be otherwise executed in accordance with the Act.

22.6 If a certificate issued in respect of a Member's shares is:

22.6.1 damaged or defaced; or

22.6.2 said to be lost, stolen or destroyed,

that Member is entitled to be issued with a replacement certificate in respect of the same shares.

22.7 A Member exercising the right to be issued with such replacement certificate:

22.7.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

22.7.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

22.7.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

## 23. **Compulsory transfers**

23.1 A Member (**Seller**) is deemed to have served a written notice to the Company indicating his intention to transfer his shares(**Sale Shares**) (**Deemed Transfer Notice**) immediately before any of the following events:

23.1.1 an arrangement or composition with any of the Member's creditors being made; or

- 23.1.2 the Member convening a meeting of his creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- 23.1.3 the Member being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- 23.1.4 a receiver being appointed over or in relation to, all [or any material part] of the Member's assets; or
- 23.1.5 the happening in relation to a Member of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
- 23.1.6 the Member dies or, if it is an organisation, ceases to exist;
- 23.1.7 the Member lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding; or
- 23.1.8 the Member failing to respond to two or more notices to the Members from the Company or fails to attend at two or more consecutive general meetings in person or by proxy (which may or may not include an Annual General Meeting).
- 23.2 The Deemed Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 23.3 A Deemed Transfer Notice may not be withdrawn or revoked save with the unanimous agreement of the Directors.
- 23.4 The price for the sale shares shall be such price as the Directors shall reasonably determine, taking into consideration the value of the Company as at the date of the Deemed Transfer Notice (**Transfer Price**).
- 23.5 The Directors shall first offer the Sale Shares to the Company at the Transfer Price inviting the Company to confirm in writing within 10 (ten) Business Days after receipt of the offer (both dates inclusive) (**First Offer Period**) whether it wishes to purchase any or all of the Sale Shares.
- 23.6 If at the end of the First Offer Period, the Company has confirmed that it wishes to purchase all of the Sale Shares, the Directors shall proceed with the transfer in accordance with the provisions of Articles 23.9 to 23.11 .

- 23.7 If at the end of the First Offer Period, the Company has confirmed that it does not wish to purchase all of the Sale Shares, the Directors shall then offer the Sale Shares (or such number of them which the Company has confirmed it does not want to purchase) inviting the remaining Members inviting them to apply in writing within the period from the date of the offer to the date 10 (ten) Business Days after the offer (both dates inclusive) (**Second Offer Period**).
- 23.8 At the end of the Second Offer Period, the Directors shall allocate the Sale Shares to each Member who has applied for Sale Shares in the proportion of his existing holding of shares provided always that no Member shall be required to purchase more Sale Shares than indicated.
- 23.9 Following the procedure set out in Articles 23.5 to 23.8, the Directors shall give notice in writing of the allocation of the Sale Shares (**Allocation Notice**) to the Seller and to the Company and / or Members (as applicable) (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 (ten) but not more than 20 (twenty) Business Days after the date of the Allocation Notice).
- 23.10 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof).
- 23.11 If the Seller fails to comply with Article 23.10:
- 23.11.1 the chairperson (or, failing the chairperson, any other Director or some other person nominated by a resolution of the Directors) may, as agent on behalf of the Seller:
- 23.11.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- 23.11.1.2 receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price);
- and

23.11.1.3 (subject to the transfers being duly stamped if applicable) enter the Applicants in the register of Members as the holders of the Sale Shares purchased by them; and

23.11.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board may reasonably require to prove good title to those Sale Shares, to the Company.

24. **Drag Along Option**

24.1 If Members holding more than 50% of the issued shares (together the **Selling Members**), wish to transfer all their shares (**Selling Shares**) to an arm's length third party purchaser, the Selling Members shall have the option (**Drag Along Option**) to require any or all of the other Members to transfer all their shares with full title guarantee to the third party purchaser or as the third party purchaser shall direct in accordance with this Article.

24.2 The Selling Members may exercise the Drag Along Option by giving notice to that effect (**Drag Along Notice**) to all other Members (**Called Members**) at any time before the registration of the transfer of the shares held by the Selling Members. A Drag Along Notice shall specify:

24.2.1 that the Called Members are required to transfer all their shares (**Called Shares**) pursuant to Article 24.1 to the third party purchaser;

24.2.2 the price at which the Called Shares are to be transferred, which shall for each Called Share be an amount equal to the price per share offered by the third party purchaser for the Selling Shares (being the **Drag Sale Price**);

24.2.3 the proposed date of transfer (if known); and

24.2.4 the identity and ownership of the third party purchaser.

A Drag Along Notice shall be deemed served upon the envelope containing it being placed in the post.

- 24.3 A Drag Along Notice may be revoked at any time prior to completion of the sale of the Called Shares and any such revocation notice shall be served in the manner prescribed for a Drag Along Notice in Article 24.2.
- 24.4 A Drag Along Notice shall lapse if, for any reason, the Selling Members have not sold the Selling Shares to the Proposed Buyer within 120 days of serving the Drag Along Notice. The Selling Members may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 24.5 No Drag Along Notice shall require the Called Members to agree to any terms except those specifically set out in this Article 24, and a covenant for full title guarantee in respect of the Called Shares.
- 24.6 Completion of the sale of the Called Shares shall take place on the same date as the date of actual completion of the sale of the Selling Shares unless all of the Called Members and the Selling Members agree otherwise.
- 24.7 Within 5 Business Days of the Selling Members serving a Drag Along Notice on the Called Members, the Called Members shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for a lost share certificate) to the Company.
- 24.8 Each Called Member shall on service of the Drag Along Notice be deemed to have irrevocably appointed each of the Selling Members severally to be his agent and attorney to execute any stock transfer form and covenant for full title guarantee in respect of the Called Shares registered in the name of such Called Members and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Called Shares pursuant to this Article 24. The rights of pre-emption and other restrictions contained in this Agreement shall not apply on any sale and transfer of shares by the Selling Members, the Called Members or any other Member to the third party purchaser named in a Drag Along Notice.
25. **Tag Along**
- 25.1 Subject to Article 24, but otherwise notwithstanding any other provision in these Articles, no sale or other disposition of more than 50% of the shares (**Specified Shares**) shall have any effect (and the Company shall not register) unless before the transfer is lodged for registration



the buyer (**Buyer**) has made a bona fide offer in accordance with these Articles to purchase at the specified price (defined in Article 25.4 all the shares held by the other Members who are not acting in concert or otherwise connected with the third party purchaser (**Uncommitted Shares**)).

25.2 An offer made under Article 25 shall be in writing (**Tag Offer Notice**) and shall be open for acceptance for at least 15 Business Days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 15 Business Days of the date of the offer.

25.3 To the extent not described in any accompanying documents, the Tag Offer Notice shall set out:

25.3.1 the identity of the Buyer;

25.3.2 the purchase price and other terms and conditions of payment;

25.3.3 the proposed sale date; and

25.3.4 the number of shares proposed to be purchased by the Buyer (**Offer Shares**).

25.4 For the purposes of this Article 25 the expression **specified price** means:

25.4.1 the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the third party purchaser or its nominees for the shares being sold by the holders of the Specified Shares; plus

25.4.2 the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares.

25.5 If the specified price or its cash equivalent cannot be agreed within 15 Business Days of the proposed sale or transfer referred to in Article 25.1 between the third party purchaser and the holders of any Uncommitted Shares such matter shall be referred to the Expert by any Member for determination and, pending such determination, the sale or transfer referred to in Article 25.1 shall have no effect.

25.6 The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale or transfer to an arm's length third party purchaser provided that the provisions of this Article 25 have been complied with.

**26. Declaration of dividends**

26.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

26.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

26.3 A dividend must not exceed the maximum amount allowed from time to time by the FA.

26.4 No dividend may be declared or paid unless it is in accordance with Members' respective rights.

26.5 A dividend may be cumulative for a period not exceeding 3 (three) years.

26.6 All dividends unclaimed for 6 (six) years having been declared may be deemed forfeited by the directors for the benefit of the Company.

26.7 Unless the terms on which shares are issued specify otherwise, a dividend must be paid by reference to each Member's holding of shares. A Member's holding of shares shall be determined as on the date of the resolution or decision to declare or pay it unless the Articles, resolution or decision specifies otherwise.

26.8 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

26.9 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

26.10 If the directors act in good faith, they do not incur any liability to the Members conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

**27. Calculation of dividends**

27.1 Except as otherwise provided by the Articles or the rights attached to shares, all dividends must be:

- 27.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
- 27.1.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- 27.2 If any share is issued on terms providing that it ranks for dividend as from a particular date that share ranks for dividend accordingly.
- 27.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.
- 28. Non cash distributions**
- 28.1 Subject to the terms of issue of the share in question, the Company may decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- 28.2 For the purposes of paying a non-cash distribution the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
- 28.2.1 fixing the value of any assets;
- 28.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- 28.2.3 vesting any assets in trustees.
- 29. Poll votes**
- 29.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 29.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.
- 30. Proxies**
- 30.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be

exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

30.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

**31. Means of communication to be used**

31.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

31.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

31.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

31.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

31.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day.

31.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

31.3 A Member who has no address in the United Kingdom and has not supplied the Company an address for notices and/or communications in the United Kingdom, shall not be entitled to receive any notices and/or communications from the Company.

## 32. **Winding up**

Upon a winding up of the Company any Proceeds shall be distributed as follows:

32.1 repaying to the Members the amount paid on their shares respectively;

32.2 the balance to the Football Association Benevolent Fund or to some other club or institute in the County of Northumberland having similar objects to those of the Company or to any local charity or charitable or benevolent institution situate within the said county, such club, institution or charity to be decided upon and such surplus apportioned among all or any of such club, institution or charities by the Members, at or before the time of dissolution as they shall direct, or in default of such decision or apportionment by the Members the same shall 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, or any such balance may be disposed of in such other manner as the Members, with the consent of the Council of the FA shall determine.

## 33. **Indemnity**

33.1 Subject to Article 33.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

33.1.1 each relevant officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

33.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

33.1.1.2 in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the

court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

33.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 33.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

33.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

33.3 In this Article:

33.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

33.3.2 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

#### 34. **Insurance**

34.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

34.2 In this Article:

34.2.1 a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

34.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to

the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

34.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.