

**The Football League Limited
Registered Number 0080612**

Notice of Passing of Special Resolutions

Take Notice that at the Annual General Meeting held on the 8th June 2018 The Football League Limited passed two special resolutions as follows: -

Resolution 1

To amend the Articles of Association in accordance with the copy attached.

Resolution 2

That the Executive be authorised to make such consequential deletions, alterations, additions and renumbering to the Articles of Association and the Regulations to give effect to the Resolutions passed at this meeting provided that all such changes are corrections of manifest, typographical, grammatical numerical or other error or omission and do not materially alter the effect of the Resolution or the Regulations (as amended by the Resolutions).

Dated 20th June 2018

**T S Detko
Company Secretary**



THE COMPANIES ACT 2006
ARTICLES OF ASSOCIATION
of
THE FOOTBALL LEAGUE LIMITED

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SECTION 1 PRELIMINARY

1 MODEL ARTICLES

- 1.1 The model articles in Schedule One to The Companies (Model Articles) Regulations 2008 and any Table A to the Companies Act 1985 or any former enactment do not apply to The League.

2 DEFINITIONS AND INTERPRETATION

- 2.1 The words in bold shall have the following meanings in these Articles:

'1985 Act' means the Companies Act, 1985 and every statutory modification or re-enactment thereof for the time being in force.

'2006 Act' means the Companies Act, 2006 and every statutory modification or re-enactment thereof for the time being in force.

'the Acts' means the 1985 Act and the 2006 Act.

'Articles' means the articles of association of The League from time to time.

'Away Club' means the Club which should play or should have played any Match on the ground of a Home Club.

'Board' means the Board of Directors for the time being of The League.

'Chairman' means the Chairman of the Board appointed in accordance with Article 17.1.

in respect of a notice means exclusive of the day on which the notice is served, or deemed to be served, and of the day for which it is given and in respect of receipt of a document by a specified number of 'clear days' prior to an event means exclusive of the day on which the document is received and of the day of that event.

'Club' means an association football club.

'Director' means a member of the Board.

'Football Creditors' means those persons in respect of whose debts The League has power to deduct the monies from a Member Club's entitlement under Article 48.

'Group Undertaking' has the meaning set out in section 1161(5) of the 2006 Act.

'Home Club' means the Club on whose ground any Match should be or should have been played or where ground sharing is in operation the Club whose name appears first in the relevant fixture.

'Increase in Net Television Income' means the amount by which the Net Television Income exceeds £22.6m.

'Insolvency Act' means the Insolvency Act 1986 and any statutory modification or re-enactment thereof for the time being in force.

'Insolvency Event' refers to any one of the following:

- (a) entering into a Company Voluntary Arrangement pursuant to Part 1 of the Insolvency Act, a Scheme of Arrangement with creditors under Part 26 of the 2006 Act, or any compromise agreement with its creditors as a whole,
- (b) the lodging of a Notice of Intention to Appoint an Administrator or Notice of Appointment of an Administrator at the Court in accordance with paragraph 26 or paragraph 29 of Schedule B1 to the Insolvency Act, an application to the Court for an Administration Order under paragraph 12 of Schedule B1 to the Insolvency Act (other than paragraph 12(1)(c)) or where an Administrator is appointed or an Administration Order is made ('Administrator' and 'Administration Order' having the meanings attributed to them respectively by paragraphs 1 and 10 of Schedule B1 to the Insolvency Act);

- (c) an Administrative Receiver (as defined by section 251 of the Insolvency Act), a Law of Property Act Receiver (appointed under section 109 of the Law of Property Act 1925) or any Receiver appointed by the Court under the Supreme Court Act 1981 or any other Receiver is appointed over any assets;
- (d) shareholders passing a resolution pursuant to section 84(1) of the Insolvency Act to voluntarily wind up;
- (e) a meeting of creditors is convened pursuant to section 95 or section 98 of the Insolvency Act;
- (f) a winding up order is made by the Court under section 122 of the Insolvency Act or a provisional liquidator is appointed under section 135 of the Insolvency Act;
- (g) ceasing or forming an intention to cease wholly or substantially to carry on business save for the purpose of reconstruction or amalgamation or otherwise in accordance with a scheme of proposals which have previously been submitted to and approved in writing by the Board;
- (h) being subject to any insolvency regime in any jurisdiction outside England and Wales which is analogous to the insolvency regimes detailed in paragraphs (a) to (g) above; and/or
- (i) have any proceeding or step taken or any court order in any jurisdiction made which has a substantially similar effect to any of the foregoing.

'in writing' means written, printed, typewritten, sent and received by facsimile, photographed or lithographed, or visibly expressed in all or any of those or any other modes of representing or reproducing words.

'The League' means The Football League Limited.

'League Competition' means the league competition organised by The League and competed for by the Member Clubs.

'League Match' means an Association Football Match in the League Competition.

'Member Club' means any Club which is from time to time a member of The League in accordance with these Articles of Association and the Regulations.

'Net Television Income' means the Television Income less any payments out of such income to any organisation other than facility fee payments to a Member Club in respect of League Matches.

'Parent Undertaking' has the meaning set out in Section 1162 of the 2006 Act.

'Pension Schemes' means the three League schemes: The Professional Footballers' Pension Scheme, the Pension and Life Assurance Scheme and The League's Group Personal Pension Scheme as well as any other schemes or plans administered by or on behalf of The League.

'Person' includes any legal entity, firm or unincorporated association and in the case of a Person which is incorporated any Group Undertaking, Parent Undertaking or Subsidiary Undertaking of that incorporated Person.

'Registered Office' means the registered office for the time being of The League.

'Regulations' means the Regulations of The League from time to time.

'Season' means the period of the year commencing on the date of the first League Match and, for each Member Club, ending immediately after the completion of the Club's final fixture of the League Competition or, if the Club is participating in the Play-Offs, the final Play-Off match for that Club

'Subsidiary Undertaking' has the meaning set out in Section 1162 of the 2006 Act.

'Television Income' means all the income of The League for the exploitation of the broadcasting rights of The League and/or its Member Clubs which are negotiated centrally but excludes the payments explained in Article 36.

- 2.2 Words importing the singular number shall include the plural number, and vice versa.
- 2.3 Words importing the masculine gender shall include the feminine and neuter genders
- 2.4 Words importing persons include corporations.
- 2.5 Wherever in these Articles, reference is made to a director of a Member Club or other body corporate, such references shall mean a director or a shadow director within the meaning of the Acts. However, where an Article refers to a director of a Member Club being entitled to represent that Member Club at a general meeting or being required to sign a particular document on behalf of that Member Club, such reference shall not include a shadow director.
- 2.6 Except for words defined above, any words or expressions defined in the Acts shall, if not inconsistent with the subject or context in which the word or expression is used, have the same meaning in these Articles.

SECTION 2 SHARES AND MEMBERSHIP

3 THE LEAGUE'S SHARE CAPITAL

- 3.1 The authorised share capital of The League is £5 made up of 100 shares of 5p each.
- 3.2 There are 72 shares which have been issued to Member Clubs.
- 3.3 No new shares may be issued or allotted without the prior approval of Member Clubs holding not less than 90 percent of the shares in the Company.
- 3.4 The League will only recognise a Member Club in relation to a share and the rights which may be exercised by a shareholder. The League will not recognise any kind of trust or joint ownership even where The League has actual notice of such things. However, these provisions shall not prevent The League giving effect to and enforcing Regulations 98, 99 and 100 or recognising additional rights in any person where required by law.

4 MEMBERSHIP

- 4.1 A Member Club must be a company that is limited by shares or by guarantee under:
 - 4.1.1 the 1985 Act;
 - 4.1.2 any Former Companies Act (as defined in Section 735(1) of the 1985 Act); or
 - 4.1.3 the 2006 Act.
- 4.2 A share may only be registered in the name of a Member Club or, by the direction of the Board, in the name of the Company Secretary
- 4.3 As a member, the Company Secretary cannot attend, speak or vote at any General Meeting.
- 4.4 Apart from the Company Secretary, no Member Club shall hold more than one share.
- 4.5 In each of the following circumstances the Board may give the Member Club or the Company Secretary written notice to transfer its share(s) to such person as the Board shall specify at the price of 5p per share.
- 4.6 Notwithstanding the circumstances, such notice shall be served on the Member Club at its registered office or in the case of the Company Secretary at their last known address. In case of default after 14 days, the Board may authorise some person to execute the necessary

transfer on behalf of the registered member which shall be legally binding on the parties. The transferee shall be entered in the register of members and issued with a new share certificate.

4.7 The circumstances are:

- 4.7.1 if any person other than a Member Club or the Company Secretary shall be a registered shareholder;
- 4.7.2 if a Member Club shall hold more than one share;
- 4.7.3 if any Member Club shall cease to be a person entitled to hold a share; or
- 4.7.4 if any Member Club shall become subject to or suffer an Insolvency Event;
- 4.7.5 if a Group Undertaking of a Member Club shall become subject to or suffer an Insolvency Event and the Board determines that, having regard to all the circumstances of the case and to:
 - (a) such of the provisions of the Insolvency Act, the Competition Act 1998 and the Enterprise Act 2002 as are relevant and then in force;
 - (b) the need to protect the integrity and continuity of the League competition;
 - (c) the reputation of The League and the need to promote the game of association football generally; and
 - (d) the relationship between the Club and the Group Undertaking,
- 4.7.6 it is appropriate to serve notice under Article 4.5;
- 4.7.7 if the Company Secretary shall have ceased to hold such office or shall have died;
- 4.7.8 where the Board resolve to serve notice under Article 4.5 above in exercise of the powers granted to them by the Owners' and Directors' Test (as defined by the Regulations).

4.8 The Board shall give such notice within 28 days of being notified of any such event and shall have authority to give such notice suspended for a period and to impose such conditions on the Member Club as the Board decides. The Board may amend or withdraw any of the conditions and impose new conditions at any time. The Board may subsequently withdraw the notice if Football Creditors are paid in full or payment in full is secured and any other conditions are satisfied.

4.9 Any Member Club taking or suffering any such action as described in Article 4.7 shall notify the League in writing immediately.

5 SHARE CERTIFICATES

5.1 Every person whose name is registered as a Member Club in the register of members shall be entitled, free of charge, to one share certificate for its share.

5.2 Each share certificate can be sealed by The League or issued in any other way the Board decides. If a signature is required to witness a seal, the Board can pass a resolution so that the individual does not need to sign the certificate. The Board can decide that the signature can be put on the certificate mechanically or can be printed on it in some other way.

5.3 A Member Club can ask for a new certificate if the original is damaged, defaced, worn out, lost, stolen, or destroyed. The Board can request satisfactory evidence of such circumstances and can require the Member Club to execute an indemnity, before issuing a replacement.

6 TRANSFERRING SHARES

6.1 Subject to the provisions of Article 4 the Board may, in their absolute discretion and without giving any reason for its actions, refuse to register any transfer of shares.

- 6.2 Every transfer must be in writing, either in the usual standard form or in any other form approved by the Board. The transfer form need not be sealed but must be signed on behalf of the Member Club transferring the share
- 6.3 The Board can also refuse to register any transfer if any of the following requirements are not met:
 - 6.3.1 the transfer form (which must have been validly stamped) must be delivered to the Registered Office (or any other place decided on by the Board) with the share certificate; and
 - 6.3.2 if the Board reasonably asks the person signing the transfer form for evidence of their authority, that evidence must be provided.
- 6.4 The person transferring the share will be treated as being the shareholder until the name of the person to whom the share is transferred, is entered in the register of members.
- 6.5 If the Board refuse to register a transfer of a share, it must notify the person to whom the share was transferred and (unless fraud is suspected) return the transfer form, within 2 months after the date on which the transfer form was received
- 6.6 The Board shall keep all transfer forms except for those returned under Article 6.5.
- 6.7 The Board can decide to stop registering transfers of shares by closing the register. The register cannot be closed for more than 30 days in each year.

SECTION 3 GENERAL MEETINGS

7 GENERAL MEETINGS

- 7.1 Each year, The League must hold an Annual General Meeting in accordance with the Acts (the **Annual General Meeting**). This is in addition to any other general meetings which are held in the year. The Board will decide when and where the Annual General Meeting will be held.
- 7.2 Any general meeting which is not an Annual General Meeting is called an extraordinary general meeting.
- 7.3 The Board can decide to call an extraordinary general meeting at any time. Member Clubs may requisition an extraordinary general meeting under the Acts.

8 NOTICE OF GENERAL MEETINGS

- 8.1 At least 21 clear days' notice in writing must be given for:
 - 8.1.1 every Annual General Meeting; and
 - 8.1.2 any meeting where it is proposed to pass a special resolution.
- 8.2 For every other general meeting, at least 14 clear days' notice in writing must be given.
- 8.3 Any notice must state where the meeting is to be held, the date and time of the meeting and the nature of any special business for the meeting. Article 9.1 explains what business is treated as special business.
- 8.4 Every notice of a general meeting must contain a reasonably prominent statement that a Member Club entitled to attend and vote, can appoint a proxy to attend and, on a poll, vote instead of it. It must also state that a proxy does not have to be a Member of The League.
- 8.5 The notice calling an Annual General Meeting must state that the meeting is the Annual General Meeting.

- 8.6 The notice calling a meeting at which it is proposed to pass a special or extraordinary resolution must state that it is intended to propose the resolution as either a special or extraordinary resolution.
- 8.7 Notice of every general meeting must be given to all Member Clubs and to The League's auditors. If by accident, notice of a meeting is not given to any person who is entitled to receive such notice, the proceedings of that meeting will still be valid. This also applies to any accidental failure to send any other notice or circular relating to the meeting or, where proxy forms are sent out, a proxy form. It also applies where the notice, circular or proxy form was sent but was not received.
- 8.8 Even though a general meeting of The League is called by a notice period shorter than that stated in Article 8.1 or 8.2, it will be treated as having been validly called if it is agreed:
- 8.8.1 in the case of an Annual General Meeting, by all the Member Clubs entitled to attend and vote at that meeting; and
- 8.8.2 in the case of an extraordinary general meeting, by Member Clubs which together hold at least 95 per cent of the shares entitled to attend and vote at that meeting.
- 8.9 If the Board considers that it is impractical or undesirable to hold a general meeting on the date or at the time or place set out in the notice of meeting, it can either postpone the meeting to another date, time or place or cancel the meeting. This also applies to any meeting postponed under this Article and to any adjourned meeting. The Board may not postpone or cancel a meeting requisitioned by the Member Clubs under the Acts.
- 8.10 If a meeting is postponed for more than 14 days, the Board must give at least 7 clear days' notice of the postponed meeting in the same way as for the original meeting.
- 8.11 Certain resolutions require special notice under the Acts and the provisions about special notice are binding on The League and the Member Clubs.

9 PROCEEDINGS AT GENERAL MEETINGS

- 9.1 Any business at an extraordinary general meeting is treated as special business. Except for the following, all business at an annual general meeting is also treated as special business:
- 9.1.1 considering and adopting the annual accounts, the Directors' Report, the Auditors' Report and any other document which must be sent with or attached to the accounts;
- 9.1.2 appointing Directors to replace any Directors who are retiring whether they are retiring by rotation or for any other reason;
- 9.1.3 appointing the Auditors, except where the Acts requires special notice of the resolution for this appointment; and
- 9.1.4 authorising the Directors to fix the remuneration of the Auditors.
- 9.2 Amendments can be proposed to any type of resolution if the amendments are only clerical amendments to correct an obvious error.
- 9.3 No other amendments to any ordinary, special or extraordinary resolution can be proposed or voted on.
- 9.4 Except for a resolution proposed by a Member Club, the chairman of the meeting may decide in good faith that a particular resolution shall be cancelled and not put to the meeting.
- 9.5 Before a general meeting starts to do business there must be a quorum present. If there is not, the meeting cannot carry out any business. However a chairman can be appointed, chosen or elected without a quorum being present because this is not treated as part of the meeting's business. Unless the Articles say otherwise, a quorum for all purposes is 25 Member Clubs who are entitled to vote and are present in person or by proxy.

- 9.6 This Article applies if a quorum is not present within 30 minutes of the time fixed for the meeting to start. The chairman of the meeting can decide to extend this time but not for more than 2 hours.
- 9.7 If a quorum is not present within 30 minutes of the time fixed for the start of the meeting or within any extended time period:
- 9.7.1 if the meeting was requisitioned by the Member Clubs, it will be dissolved;
- 9.7.2 a meeting which was called in any other way will be adjourned to another day, time and place decided by the chairman.
- 9.8 The League must comply with Article 8.10 in relation to giving notice of the meeting. At the adjourned meeting if a quorum is not present within 30 minutes of the time fixed for the start of the meeting or within any extended time period, the quorum shall be 5 Member Clubs who are entitled to vote and are present in person or by proxy. If a quorum is still not present, the meeting will be dissolved
- 9.9 The Chairman of the Board will be the chairman at every general meeting.
- 9.10 If there is no Chairman of the Board, the Directors who are present will choose one of themselves to act as chairman of the meeting. This also applies if the Chairman of the Board is not present within 5 minutes of the time the meeting is due to start or if the Chairman is unwilling to chair the meeting.
- 9.11 If there is no Director present within 5 minutes of the time the meeting is due to start or if each Director who is present, is unwilling to chair the meeting, the Member Clubs present in person shall choose one of their representatives to be chairman of the meeting.
- 9.12 The chairman of the meeting can take any action to make sure the meeting is orderly. This can be whatever action they think is necessary. Any decision the chairman makes relating to matters of order or procedure including whether any question raised is a point of order or procedure, *will be final and cannot be challenged*.
- 9.13 The chairman of a general meeting may adjourn a quorate meeting at any time after the time the meeting was due to start, with the consent of the meeting. The chairman must adjourn the meeting if so directed by the meeting.
- 9.14 The only business which can be carried on at an adjourned meeting is that business which could validly have been carried on at the meeting which was adjourned.
- 9.15 If a meeting is adjourned for more than 14 days, at least 7 clear days' notice of the adjourned meeting must be given. That notice must be given in the same way as for the original meeting. Otherwise, there is no need to give notice of an adjourned meeting or of the business which is to take place at an adjourned meeting. This Article does not apply to a meeting which is adjourned because a quorum is not present. In such circumstances Article 9.4 applies.
- 9.16 Each Director is entitled to attend and speak at any general meeting.

10 VOTING

- 10.1 If a resolution is put to the vote at a general meeting, it will be decided by a show of hands. This applies unless a poll is demanded, before the resolution is put to the meeting or before or when the result of the show of hands is declared by the chairman. A poll can be demanded:
- 10.1.1 by the chairman of the meeting;
- 10.1.2 by at least 5 Member Clubs who are present either in person or by proxy at the meeting and are entitled to vote, or
- 10.1.3 by Member Clubs in accordance with the Acts.

- 10.2 The following applies when there is a vote by a show of hands and no poll is demanded or any demand for a poll is withdrawn. The chairman can declare that on a show of hands:
- 10.2.1 a resolution has been passed or has been passed unanimously or has been passed by a particular majority; or
 - 10.2.2 a resolution has been lost or has been lost by a particular majority.
- 10.3 The chairman's declaration will be final and conclusive. The declaration must be entered in the minute book, which will be conclusive proof of the fact. There is no need to prove the number or proportion of votes recorded for or against a resolution.
- 10.4 If a poll is demanded in relation to the election of the chairman or on a question of adjournment, the poll must be carried out immediately. Otherwise the chairman will decide how, when and where a poll will be carried out but the poll must be taken within 30 clear days of the date of the demand. There is no need (unless the chairman decides otherwise) for notice to be given of a poll.
- 10.5 The chairman can appoint scrutineers who do not need to be Member Clubs. They must appoint scrutineers if so directed by the meeting. The result of the poll will be treated as the decision of the meeting where the poll was demanded. This applies even if the poll is carried out after the meeting.
- 10.6 A demand for a poll on a particular matter will not stop a general meeting from continuing to deal with other matters. If a poll is demanded it may, if the chairman consents, be withdrawn at any time before the end of the meeting or before the poll is taken (whichever is earlier). If a demand for a poll is withdrawn, any declaration of the result of a vote on that resolution by a show of hands, which was made before the poll was demanded, will be valid.
- 10.7 On a poll, votes can be given either by the Member Club's representative or by proxy
- 10.8 A person who is entitled to more than one vote on a poll does not need to use all their votes, or cast all the votes they use, in the same way.
- 10.9 If the votes at a general meeting are equal, either on a show of hands or on a poll, the chairman of the meeting will be entitled to a second or casting vote. This is in addition to any votes which they may have as a representative of a Member Club, or as a proxy.
- 10.10 Every Member Club which is present in person at a general meeting will have one vote on a show of hands. A proxy cannot vote on a show of hands.
- 10.11 Where there is a poll, every Member Club which is present in person or by proxy will have one vote.
- 10.12 Where:
- 10.12.1 an objection is raised to the right of any person to vote at a meeting;
 - 10.12.2 votes have been counted that should not have been counted or that could have been rejected;
 - 10.12.3 votes are not counted that should have been counted,
- these things will only affect the validity of the decision of the meeting if the objection is raised or the error is pointed out at the meeting at which the vote was cast or the error occurred. The chairman of the meeting will decide all such objections and errors and their decision will be final and conclusive. This Article applies in the same way to adjourned meetings.
- 11 PROXIES**
- 11.1 A proxy form must be in writing and signed on behalf of the Member Club either by a director, the club secretary or by a person who is properly authorised to sign. The signature on the form does not have to be witnessed.

- 11.2 A proxy form must be in any form which is commonly used, or in any other form which the Board approves. The Board can send out proxy forms with the notice of meeting, for use at the meeting. This is subject to the provisions of the Acts.
- 11.3 A proxy form must be delivered to the Registered Office, or to any other place in the United Kingdom specified in the notice of the meeting, or in any document sent with the notice, or in the notice of an adjournment. This must be done at least:
- 11.3.1 48 hours before the time set for the meeting;
- 11.3.2 for a poll taken during or on the same day as the meeting, 48 hours before the time set for the meeting; or
- 11.3.3 24 hours before the time set for any other poll taken after the day of the meeting
- 11.4 This Article applies in the same way to adjourned meetings.
- 11.5 A Member Club can still attend and vote in person at a meeting or on a poll, even though it has delivered a proxy form in respect of that meeting or poll.
- 11.6 A proxy form gives the person who is appointed as proxy authority to demand or join in demanding a poll. It will not give any further right to speak at the meeting, unless the chairman of the meeting allows. The proxy form also gives the person appointed as proxy, authority to vote in whatever way the proxy decides on any amendment of a resolution put to the meeting for which it is given. If a Member Club gives its proxy authority to vote as the proxy decides or to vote in a particular way, this is a matter between the Member Club and its proxy. The League will accept the abstention or vote of the proxy as final and conclusive even if The League has actual knowledge of the terms of the authority of the proxy.
- 11.7 Any vote cast or poll demanded by a proxy will not be valid if the Member Club gives written notice to The League at the Registered Office at least 3 hours before the time set for the meeting or, if later, the poll, that the proxy form has been revoked.
- 11.8 A proxy form is not valid after 12 months from the date specified on the form as the date of signature except at an adjourned meeting or on a poll where the original meeting or demand for a poll was held or made within the 12 month period
- 11.9 Subject to the provisions of the Acts, a resolution in writing signed by or on behalf of all the Member Clubs, shall be valid and treated in the same way as if the resolution had been passed as an ordinary, special or extraordinary resolution at a general meeting of The League.

12 REPRESENTATIVES OF MEMBER CLUBS

- 12.1 A Member Club may, by a resolution of its directors, authorise any individual to act as its representative at any general meeting or adjourned meeting. The Board may require reasonable evidence of such authorisation.
- 12.2 A Member Club may be represented by its chairman or by any director or by the chief executive or by the club secretary without evidence of any resolution of its directors
- 12.3 A representative can exercise all the powers on behalf of the Member Club which appointed them, which the Member Club could exercise if it were an individual shareholder.
- 12.4 A Member Club must attend any general meeting either by sending a representative or by appointing a proxy. In default a Member Club will pay a fine of £500 unless The League is satisfied that there are extenuating circumstances. This figure will be reviewed annually by the Board and may be increased. The Board may lift this requirement in relation to a particular general meeting by notice to Member Clubs.

SECTION 4 REGULATIONS

13 THE REGULATIONS OF THE LEAGUE

- 13.1 To further the objects of The League as set out in clause 3 of the Memorandum, the Board has power to propose regulations relating to the activities of The League, Member Clubs and the respective officers, employees, registered players and agents of Member Clubs.
- 13.2 The Regulations are those adopted and effective from 6 June 1998 as amended from time to time.
- 13.3 Subject to the provisions of Article 14 and save as expressly provided in any particular Regulation, the Regulations may not be changed except at a general meeting and in accordance with the following provisions:
 - 13.3.1 the League shall give at least 21 clear days' notice of any resolution to change the Regulations;
 - 13.3.2 the resolution shall be special business;
 - 13.3.3 the Board is not obliged to include any resolution to change the Regulations which may have been proposed by a Member Club in a notice of extraordinary general meeting convened by the Board;
 - 13.3.4 the Board is not obliged to include any such resolution in a notice of Annual General Meeting unless the proposed resolution is received at the Registered Office at least 10 clear days before the notice of the Annual General Meeting is posted. The Board will use its best endeavours to advise Member Clubs of this deadline;
 - 13.3.5 the Board may require the Member Club to draft its resolution;
 - 13.3.6 the resolution to change the Regulations shall not be carried unless it has been passed by a majority of the votes cast by all Member Clubs present and voting either in person or by proxy and at the same time by a majority of the votes cast by all the Member Clubs (which are then in the Championship of The League Competition) present and voting either in person or by proxy;
 - 13.3.7 the provisions of these Articles shall apply to any general meeting to change the Regulations.

14 FIXTURES REGULATION

- 14.1 Any Division may propose an alteration, deletion or addition to any Fixtures Regulation which affects only that Division and which has no detrimental effect on the financial interests of the other Divisions or The League as a whole.
- 14.2 The proposal will be considered by the Chairman and the Chief Executive of The League and if approved by them, such proposal may be adopted by a simple majority of the Clubs in that Division.
- 14.3 If the proposal is not approved, the Division may submit the proposal to The League in general meeting. Such proposal may be adopted by a simple majority of the Member Clubs of the League.
- 14.4 '**Fixtures Regulation**' means regulations or rules of The League relating to international call-ups, substitutes and the numbering of Players' shirts and other matters agreed with the Board.
- 14.5 The adopted proposal will take effect as a regulation for the following Season and shall be binding upon the Clubs in that Division.

SECTION 5 THE BOARD OF DIRECTORS

15 NUMBER OF DIRECTORS

- 15.1 The Board shall be the Directors of The League within the meaning of the Acts.
- 15.2 There must be at least three Directors (not counting any alternate Directors in that capacity). There will be a maximum of ten Directors.
- 15.3 The following shall be Directors of The League:
 - 15.3.1 up to six Directors *nominated by the Divisions as appointed pursuant to Article 16 (together the **Club Directors**, and each a **Club Director**)*;
 - 15.3.2 the Chairman, when appointed by the Board in accordance with Article 17; and
 - 15.3.3 up to two Independent Non-Executive Directors, when appointed by the Board in accordance with Article 17.
- 15.4 The Board may, in its discretion, appoint the Chief Executive (if any) as a Director.

16 CLUB DIRECTORS

- 16.1 Of the six Club Directors:
 - 16.1.1 the Championship is entitled to nominate three Club Directors;
 - 16.1.2 League 1 is entitled to nominate two Club Directors; and
 - 16.1.3 League 2 is entitled to nominate one Club Director.
- 16.2 The term of office of each Club Director shall:
 - 16.2.1 in respect of their first term:
 - (a) where appointed after the commencement of a Season following the removal of a Club Director (in accordance with Article 20), continue until the date of the appointment of their successor following the fourth Annual General Meeting held after the date of their appointment, whereupon they shall retire from office (unless re-elected); or
 - (b) in any other case, continue until the date of the appointment of their successor following the fourth Annual General Meeting held after the date of their appointment, whereupon they shall retire from office (unless re-elected),
 - 16.2.2 in the case of their second term, three years or until the date of appointment of their successor, if later.
- 16.3 No person may be elected as a Club Director by the same Division for more than two consecutive terms.
- 16.4 In these Articles, any term would be considered consecutive to the immediately preceding term unless those two terms are separated by a period of not less than 11 months.
- 16.5 Every candidate for the role of Club Director must be a director of a Club in that Division, and shall complete a nomination paper in the form required by The League and the completed form must be filed at the Registered Office. No Club may appoint more than one Club Director at any point in time.
- 16.6 If there are more candidates than the number of permitted vacancies The League will conduct a postal ballot of the Clubs in that Division to determine the nominated Club Directors.

17 INDEPENDENT DIRECTORS

- 17.1 Subject to these Articles, the Board shall appoint:

- 17.1.1 the Chairman; and
- 17.1.2 at least one independent non-executive Director, but no more than two at any one time (the **Independent Non-Executive Directors**),
- and together the Chairman and the Independent Non-Executive Directors are hereafter referred to as the **Independent Directors**.
- 17.2 An Independent Director shall not:
- 17.2.1 be a director or other officer of any Member Club or of a holding company of any such Member Club; or
- 17.2.2 either individually or with one or more associates, either directly or indirectly have any interest in the management or administration of any Member Club.
- 17.3 The Board, or any committee authorised by the Board, can decide the terms of the appointment of the Independent Directors.
- 17.4 At each Annual General Meeting of The League any Independent Director then in office:
- 17.4.1 who has been appointed by the Board since the previous Annual General Meeting in accordance with Article 17.1; or
- 17.4.2 for whom it is the third Annual General Meeting following the Annual General Meeting at which they were last appointed,
- shall retire from office but shall be eligible for re-appointment by an ordinary resolution of the members.
- 17.5 Subject to Articles 17.6 and 17.7 no person may serve as an Independent Director for more than two terms.
- 17.6 An Independent Director who retires at an Annual General Meeting shall (unless they are removed from office or their office is vacated in accordance with these Articles) retain office until the close of that meeting or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to elect another person in their place or the resolution to re-appoint them is put to the meeting and lost.
- 17.7 If The League, at any meeting at which an Independent Director retires in accordance with these Articles, does not fill the office vacated by the Chairman, the retiring Independent Director, if willing to act, shall be deemed to be re-appointed unless at that meeting an ordinary resolution is passed not to fill the vacancy or elect another person in their place or unless the ordinary resolution to re-appoint them is put to the meeting and lost.
- 17.8 In addition to any power of removal conferred by the Acts, an Independent Director may be removed from that office at any time by a resolution of the Board or by an ordinary resolution of The League in general meeting. For the avoidance of doubt, and notwithstanding any other provisions of these Articles, an Independent Director may not vote in relation to a Board resolution to remove them from that office.
- 18 EXTENSION OF FINAL TERM OF OFFICE**
- 18.1 Notwithstanding the provisions of Article 16.2.2 (in the case of a Club Director) or Article 17.4.2 (in the case of an Independent Director), at any time during the last three months of a Director's final term of office the Board may extend that Director's final term of office by one year where the Board considers in its discretion that there are exceptional circumstances that justify the need to retain that Director on the Board for that additional period.
- 19 TRANSITIONAL ARRANGEMENTS**
- 19.1 The Independent Non-Executive Directors appointed prior to the date of adoption of these Articles shall be subject to Article 17 with immediate effect subject to the following modifications:

- 19.1.1 where appointed prior to the Annual General Meeting held in June 2014, be required to retire at the Annual General Meeting held in June 2016 and if re-appointed by ordinary resolution of the members, shall be subject to a maximum term of six years and required to retire at the Annual General Meeting to be held in June 2018;
- 19.1.2 where appointed after the Annual General Meeting held in June 2014 but prior to the date of adoption of these Articles, they shall be required to retire at the Annual General Meeting held in June 2017 and, if re-appointed by ordinary resolution of the members, again at the Annual General Meeting to be held in June 2019.

20 REMOVAL

- 20.1 A Director or alternate Director shall stop holding that office in any of the following circumstances:
 - 20.1.1 if the Member Club of which they are a director is promoted or relegated to or from The League or as between the three Divisions. Save for promotion or relegation out of The League, such person shall hold office until the appointment of their successor;
 - 20.1.2 if they are removed by a simple majority of their Division;
 - 20.1.3 if they deliver a written resignation to the Registered Office or in the case of a Director or alternate Director offers it at a Board meeting;
 - 20.1.4 if they petition for their own bankruptcy or are adjudged bankrupt, propose or make an arrangement with their creditors or a composition with their creditors (including a voluntary or any other type of arrangement), or if they apply for an order for protection from their creditors;
 - 20.1.5 if the Board decides that they are no longer able to hold office because of physical or mental incapacity or mental disorder;
 - 20.1.6 if they have missed Board meetings for a continuous period of six months without the Board's consent, and the Board passes a resolution that they should no longer hold office. *In the case of a Director this applies even if their alternate has attended meetings in their place;*
 - 20.1.7 if they cease to be a director of the Member Club of which they were a director when appointed as a Director of The League, unless within 7 days of such cessation they are appointed as a director of a Member Club in the same Division and indicate their willingness to continue to serve as a Director;
 - 20.1.8 if the Member Club of which they are a director gives provisional or actual notice of withdrawal under Regulation 4 of the Regulations;
 - 20.1.9 if they die;
 - 20.1.10 if they cease to be a Director under the Acts or are removed either under the Acts or these Articles;
 - 20.1.11 if they are prohibited by law from being a Director;
 - 20.1.12 if they are an executive Director and are dismissed from their office. This applies even if this is in breach of any service contract they have with The League;
 - 20.1.13 if they are convicted of a criminal offence and the Board passes a resolution saying that it is not in The League's best interests for them to remain in office; and/or
 - 20.1.14 if the Member Club of which they are a Director takes or suffers any matter or action specified in Article 4.7.4 but remains a Member of The League.

- 20.2 No person shall be entitled to stand as a candidate as a Director or alternate Director if the Member Club of which they are a director takes, suffers or is subject to any matter or action specified in Article 4.7.4 but remains a Member of The League.

21 VACANCIES

- 21.1 If either a Club Director or an alternate Director cease to hold office, the League will notify each Club in the relevant Division and the provisions of Article 16 shall apply.
- 21.2 The League may prescribe such voting and other procedures (including a timetable) to ensure as little disruption as practicable to the management and affairs of The League.
- 21.3 If any Independent Director ceases to hold office, the Board will determine the process and timetable for appointment of any replacement to ensure as little disruption as practicable to the management and affairs of The League.

22 ALTERNATE DIRECTORS

- 22.1 Each Division may elect one alternate director for each Club Director nominated by that Division, and may at its discretion remove any alternate so appointed.
- 22.2 Every candidate for the role of alternate Director must be a director of a Club in that Division, and shall complete a nomination paper in the form required by The League and the completed form must be filed at the Registered Office.
- 22.3 If there are more candidates than the number of permitted vacancies The League will conduct a postal ballot of the Clubs in that Division to determine the nominated alternate Directors.
- 22.4 Each person acting as an alternate Director will alone be responsible to the Company for their own acts and defaults and will not be deemed to be the agent of the Club Directors of the division appointing them.
- 22.5 Every alternate Director is entitled to receive notice of all meetings of the Board and, in the absence of their applicable Club Director, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of that Club Director.
- 22.6 Alternate Directors will be the nominated representative for their Division on the Commercial Committee established pursuant to Regulation 75.5 of the Regulations
- 22.7 An alternate Director will cease to be an alternate Director:
- 22.7.1 if the Division appointing them revokes their appointment; or
 - 22.7.2 if they resign their office by notice in writing to The League; or
 - 22.7.3 if the Club Director for which they are an alternate, ceases for any reason to be a Director, provided that if any Director retires but is re-appointed or deemed to be re-appointed at the same meeting, any valid appointment of an alternate Director which was in force immediately before their retirement shall remain in force; or
 - 22.7.4 if any event happens in relation to the alternate which, if he were a Director otherwise appointed, would cause them to vacate their office.

23 75 YEARS OF AGE

- 23.1 No person who is over 75 years may be appointed or re-elected as a Director or as alternate Director.
- 23.2 A Director or alternate Director must give notice to The League at least three months before their 75th birthday. Such Director or alternate Director ceases to hold office at the Annual General Meeting following their 75th birthday or, if later, the date on which their successor is appointed.

24 REPRESENTATION ON EXTERNAL BODIES

- 24.1 Subject to the provisions of Article 24.5 below, the Board will nominate the persons who are to represent The League and its interests on outside bodies including, without limitation, the Football Association's:
- 24.1.1 council (**FA Council**);
 - 24.1.2 board of directors (**FA Board**); and
 - 24.1.3 professional game board (**PGB**).
- 24.2 The League will only replace a Director on the FA Board and/or PGB during their term of office on those bodies if:
- 24.2.1 having held the office of Director of The League at the time of their appointment, they cease to hold that office under the provisions of Article 20; or
 - 24.2.2 they cease to be eligible to serve on the FA Board and/or PGB pursuant to the provisions of the Football Association's Articles of Association, standing orders and/or any other appropriate terms or reference and/or rules.
- 24.3 For so long as The League is able to nominate six or more persons to represent The League on The FA Council, two of the nominations shall be selected by Member Clubs ('**Club Nominees**').
- 24.4 All Club Nominees shall complete a nomination paper in the form required by The League and the completed form must be filed at the Registered Office.
- 24.5 If there are more Club Nominee candidates than two, The League shall conduct a postal ballot of Member Clubs to determine the Club Nominees. The ballot procedures shall be determined by The League.
- 24.6 Club Nominees shall be appointed until midnight on the day before the Summer Meeting in the following year, or the date of their replacement or vacation of office, if earlier but shall be eligible for re-election. No Club Nominee can serve more than six consecutive terms of office. A Club Nominee shall stop holding that office in any of the following circumstances:
- 24.6.1 if the Member Club which they represent is promoted or relegated to or from The League;
 - 24.6.2 if they are removed by a simple majority of the Clubs in general meeting;
 - 24.6.3 if they deliver a written resignation to the Registered Office;
 - 24.6.4 if they petition for their own bankruptcy or are adjudged bankrupt, propose or make an arrangement with their creditors or a composition with their creditors (including a voluntary or any other type of arrangement), or if they apply for an order for protection from their creditors;
 - 24.6.5 if the Board decides that they are no longer able to hold office because of physical or mental capacity or mental disorder;
 - 24.6.6 if they have missed FA Council meetings for a continuous period of six months without the Board's consent, and the Board passes a resolution that they should no longer hold office;
 - 24.6.7 if they cease to be eligible to represent The League on the FA Council pursuant to the provisions of the Football Association's Articles of Association, standing orders and/or any other appropriate terms or reference and/or rules;
 - 24.6.8 if they cease to be a representative of the Member Club which nominated them, unless they are within 7 days of such cessation appointed to represent another

Member Club and indicate their willingness to continue to serve as a member of FA Council;

24.6.9 if the Member Club which they represent gives provisional or actual notice of withdrawal under Regulation 4 of the Regulations;

24.6.10 if they die;

24.6.11 if they are convicted of a criminal offence and the Board passes a resolution saying that it is not in The League's best interests for them to remain in office; or

24.6.12 if the Member Club which they represent takes or suffers any matter or action specified in Article 4.7.4 but remains a Member of The League.

25 DIRECTORS' FEES AND EXPENSES

25.1 The fees paid to Directors for performing their services as Directors will be decided by the Board or any committee of the Board which is authorised to decide Directors' fees.

25.2 The League will pay the reasonable travelling, hotel and incidental expenses incurred by the Directors to attend and return from:

25.2.1 Board meetings;

25.2.2 meetings of committees of the Board;

25.2.3 general meetings; and

25.2.4 other meetings on The League's business.

25.3 The League can also pay all other expenses properly and reasonably incurred by Directors in conducting The League's business or performing their duties.

25.4 Expenses shall be paid in respect of each day or night that the Director is away from home.

25.5 The Board or any committee authorised by the Board can decide a Director's remuneration. This can be paid either as well as, or instead of, the fees they receive for being a Director.

26 AUTHORISATION OF CONFLICTS OF INTERESTS

26.1 For the purposes of Section 175 of the 2006 Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that section to avoid a situation in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of The League.

26.2 The power of the Directors to authorise any matter under Article 26.1 applies (but is not limited) to the appointment (whether past, present or future) of Directors to represent The League on other bodies in accordance with the provisions of Article 24.

26.3 Authorisation of a matter under Article 26.1 shall be effective only if:

26.3.1 the matter in question shall have been proposed in writing for consideration at a meeting of the Directors in accordance with the Board's normal procedures or such other manner as the Directors may determine;

26.3.2 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 (or any other interested Director); and

26.3.3 the matter was agreed to without such Director (or Directors) voting, or would have been agreed to if the votes of any interested Directors had not been counted.

26.4 Any authorisation of a matter under Article 26.1 shall be subject to such conditions, limitations and/or terms as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be varied or revoked by the Directors at any time and at their absolute

discretion. The Director(s) shall notify the Board as soon as practicable of any significant change in the circumstances proposed for consideration under Article 26.3.1. Subject to any such conditions, limitations and/or terms imposed by the Directors, any authorisation given shall be deemed to be given to the fullest extent permitted by the Acts. A Director shall comply with any obligations imposed on them by the Directors pursuant to any such authorisation.

27 TRANSACTIONS WITH THE COMPANY

- 27.1 If a Director is interested in any contract or arrangement (or proposed contract or arrangement) with The League either directly or indirectly, they must notify the other Directors of their interest and the nature of it. They must do this at the Board meeting at which the contract or arrangement is first considered, or if they did not know they had an interest in the contract or arrangement when it was first considered, at the first meeting of the Board after they become aware of their interest.
- 27.2 It will be enough for the Director to give a general notice to the Board stating that:
- 27.2.1 they are a shareholder of a specified company or member of a firm and is interested in any transaction made with that company or firm after the date of the notice;
 - 27.2.2 they are an officer of a Member Club, or
 - 27.2.3 they are interested in any transaction between The League and a specified person who is 'connected' with them which may be made after the date of the notice. (Section 346 of the Companies Act says when a person is to be regarded as connected with another person).
- 27.3 The notice will not be effective unless it is either given at a Board meeting or the Director giving the notice takes reasonable steps to make sure that it is discussed at the next Board meeting after it has been given.
- 27.4 If the Acts allow, and subject to notice having been given as required under Articles 27.1 and 27.2, a Director can:
- 27.4.1 enter into any contract or arrangement with The League. This applies whether they do this as an officer of another company or as an individual;
 - 27.4.2 act for The League in a professional capacity, either alone or through their firm, and the Director or their firm can be paid for professional services as though they were not a Director; and
 - 27.4.3 have any kind of interest in any existing or proposed contract or arrangement with The League.
- 27.5 The Director will not be disqualified from acting as a Director of The League and any such contract or arrangement will be valid and cannot be challenged on the basis of the Director's interest.
- 27.6 Notwithstanding the foregoing, neither a Director nor their firm can be The League's Auditor.
- 27.7 If the Director has declared their interest at a Board meeting as required by these Articles and the Acts, a Director does not have to pay to The League or the Member Clubs any fees, profits or other benefits they make as a result of that contract or arrangement, and any such contract or arrangement shall not be liable to be avoided on the grounds of any such fees, profits or other benefits.
- 27.8 Subject to the provisions of Article 27.9 below, a Director cannot vote or be counted in the quorum, on a Board resolution in relation to any contract or arrangement of any kind in which they have a material interest. In deciding whether a Director has a material interest, any interest of any person connected with them must be taken into account.

- 27.9 A Director can vote, and be counted in the quorum, on a resolution about any of the following things, as long as the only material interest they have in the resolution is one of the following:
- 27.9.1 a contract or arrangement which affects the Member Clubs as a whole; or
 - 27.9.2 a contract or arrangement between The League and any company in which the Director holds or is beneficially interested in 1 per cent or less of the equity share capital of that company.
- 27.10 If any question comes up at a Board meeting about whether a Director has a material interest, or whether they can be counted in the quorum or vote, the question will be decided by the Board. For these purposes, the Director in question will not be counted in the quorum and cannot vote on the resolution.

28 THE BOARD'S POWERS AND DUTIES

- 28.1 The Board will manage The League's business. The Board can use all of The League's powers except where the Articles or the Acts say that powers can only be used by the Member Clubs voting at a general meeting.
- 28.2 The Board is always subject to:
- 28.2.1 the provisions of the Acts;
 - 28.2.2 The League's memorandum of association;
 - 28.2.3 the requirements of these Articles; and
 - 28.2.4 any directions given by the Member Clubs passing a special resolution at a general meeting.
- 28.3 However, if the memorandum or Articles of The League are altered, or a special resolution is passed, relating to something which the Board has already done which falls within its powers, this cannot invalidate the Board's previous action.
- 28.4 Any other Articles which give special authority or powers to the Board do not limit or restrict but add to the powers given by this Article 28.

29 BORROWING POWERS

- 29.1 The Board can exercise all The League's powers to borrow money and to mortgage or charge all or any part of The League's business and activities, property and assets (present and future) and uncalled capital. The Board can also exercise all The League's powers to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of The League or of any third party. In exercising these powers the Board is subject to the requirements of the Acts.

30 PROCEEDINGS OF THE BOARD

- 30.1 The Board can decide when to have meetings and how to conduct them. The Board must, however, comply with any specific provision in these Articles which applies to Board meetings.
- 30.2 Matters for decision which arise at a Board meeting will be decided by a majority vote. If the votes are equal, the chairman of the meeting will have a second or casting vote.
- 30.3 A Board meeting can be called by a Director. It must be called by the Company Secretary if a Director requests a meeting.
- 30.4 The quorum needed to deal with the business of the Board is 4 Directors if there are 6 or more Directors in total but if the number of Directors falls below 6, the quorum is 2 Directors.
- 30.5 A Director will be treated as being present at a meeting if they communicate with the meeting by telephone, video conferencing or other similar equipment. Alternatively, a meeting can take place by a series of telephone calls from the chairman. Taking part in the meeting in this way

will be counted as being present at the meeting and so the Director will count in the quorum and can vote at the meeting.

- 30.6 The Board meeting will be treated as taking place where the majority of the Directors are, but if there is no majority in one place, it will be treated as being held at the place where the chairman of the meeting is present.
- 30.7 If the number of Directors is less than the number fixed under the Articles for a quorum for a Board Meeting, the continuing Directors or Director can continue to act. However in these circumstances they can only convene a general meeting and cannot use any of the Board's other powers.
- 30.8 If there are no Directors able or willing to act, any 2 Member Clubs can call a general meeting.
- 30.9 The Board can delegate any of its powers, authorities or discretions to committees of one or more Directors. The Board can also give the committee the power to sub-delegate. The Board can co-opt persons who are not Directors to sit on a committee.
- 30.10 The Board may either impose its own requirements on how the committee is to operate or may authorise the committee to decide its own procedures.
- 30.11 The chairman of each committee must be a Director.
- 30.12 If the Board has delegated any power, authority or discretion to a committee, any references in these Articles to the Board using that power, authority or discretion include the use of that power, authority or discretion by the committee.
- 30.13 A written resolution which is signed or approved in accordance with the requirements of this Article 30.13, will be as valid and effective as a resolution passed at a Board meeting which is properly convened and held. The written resolution must be approved by all the Directors and signed by at least the number of Directors which would be required to form a quorum at a Board meeting.
- 30.14 Everything which is done by the Board, or by any Board committee, or by any person acting as a Director, or as a member of a committee, will be valid even though it is later discovered that any member of the Board, or committee, or person acting as a Director or committee member, was not properly appointed. This also applies if it is later discovered that anyone was disqualified from being a Director, or had ceased holding that position, or was not entitled to vote. In any of these cases, anything done will be as valid as if there was no defect or irregularity as referred to in this Article.

31 COMPANY SECRETARY

- 31.1 The Company Secretary will be appointed and removed by the Board.

32 SEAL

- 32.1 The League's common seal can only be used with the Board's authority.
- 32.2 The Board can decide who will sign any document which is to be sealed with the common seal. But unless the Board decides otherwise, it must be signed by a Director and the Company Secretary or by 2 Directors.
- 32.3 A document signed by one Director and the Company Secretary, or by 2 Directors, which states that it has been executed by The League will have the same effect as if it had been sealed. This will not apply if the Acts say otherwise.

33 HONORARY PRESIDENT

- 33.1 The League may by ordinary resolution appoint a person to hold the post of Honorary President of The League. The Honorary President shall be entitled to receive notices of and to attend at all General Meetings of The League, but they shall not be entitled to speak or vote at any

meeting and shall not be a member of the Company or a Director on the Board. The term of appointment shall be three years. An individual may not serve more than two terms.

33.2 The Honorary President shall cease to hold office on the earlier of:

33.2.1 the expiry of their term of office;

33.2.2 the first Annual General Meeting following their 75th birthday; or

33.2.3 the removal of them by an ordinary resolution of the members at any time.

SECTION 6 FINANCE

34 ACCOUNTS

34.1 The Board must make sure that proper accounting records which comply with the Acts are kept.

34.2 The accounting records must be kept at the Registered Office or at any other place which the Board thinks fit and the Acts allow.

34.3 The Directors can always inspect the accounting records.

34.4 No Member Club or other person has any right to inspect any accounting record or book or document of The League unless:

34.4.1 they are entitled by law;

34.4.2 they are authorised to do so by the Board; or

34.4.3 they are authorised to do so by the Member Clubs passing an ordinary resolution at a general meeting.

35 THE POOL ACCOUNT

35.1 The League will maintain an account ('**Pool Account**'). All the income of the League will be paid into that account and the payments referred to in the following Articles will be paid out of that account.

35.2 Income from the FA Challenge Cup Pool will be paid into the Pool Account.

35.3 Monies received by The League which are not income of The League and the payments explained in Article 42 will be paid into a separate account or accounts and not into the Pool Account.

35.4 The Board has the power to require Member Clubs to make payments into the Pool Account to finance the business and activities of The League, any liability which The League may assume responsibility for and in respect of any pension or benefits scheme for players and former players.

36 GATE LEVIES

36.1 Within 10 days after each League Match, the Home Club shall, and where the Away Club admits spectators to its ground to watch a beam back of the League Match it shall also pay to The League for the credit of the Pool Account, a sum equal to 3% of its net gate receipts for that match. Each Club will send with the payment, a statement in the form required by The League, showing its calculations.

36.2 In this Article 36 'net gate receipts' means the total proceeds derived from admitting persons to the ground at which the match is played after deducting value added tax and the following expenses in relation to that match: printing, postage, advertising, gatemen and stewards, police, floodlighting (not exceeding £200 per match), contributions to First Aid helpers and clearing the ground of snow.

- 36.3 Each Member Club shall pay to The League for the credit of the Pool Account, a sum equal to 3% of the net proceeds of the sale of season tickets in respect of each Season. 'Net proceeds' means the total proceeds of sale less value added tax and the expense of printing the season tickets. The levy shall be payable in two annual instalments. The first instalment shall correspond to the levy due on season tickets sold up to and including the 30th September in that Season, and will be payable on 31st December in that Season. The Club shall complete a 'season ticket return' (in the form and manner required by The League), showing its calculations of the amount to be paid by way of the first instalment no later than 14th October. The second instalment shall correspond to the levy due on any remaining season tickets sold in respect of that Season and shall be paid no later than the date of the last League Match in that Season. The second instalment shall be accompanied by a statement, in the form required by The League, showing its calculations of the amount to be paid by way of the second instalment.
- 36.4 Where a Home Club admits any person to the ground as part of its hospitality arrangements or to an executive box and there is no separate charge for admission, each person is treated as having bought a ticket at the highest price payable for a ticket for that match.

37 PAYMENTS FROM THE POOL ACCOUNT

- 37.1 There shall be paid out of the Pool Account and in the following priority:
- 37.1.1 all sums required to carry on the business and activities of The League and all sums required to discharge its debts and obligations.
- 37.1.2 all sums payable to any Club or other person by way of prize money, gate receipts, gate compensation monies or donations or for any other purposes provided for in these Articles or the Regulations or as directed by the Board or by the Member Clubs in general meeting. This does not apply where the rules of The League's cup competition allow for such sums to be deducted from the proceeds of that competition before payment of the balance proceeds into the Pool Account.
- 37.1.3 all sums payable to a Member Club as explained in Article 40.
- 37.2 Notwithstanding any provisions of these Articles or the Regulations the Board may retain within the Pool Account such amounts as the Board considers prudent for contingencies and otherwise.

38 STATUS OF PAYMENTS TO CLUBS

- 38.1 The fee payments to Member Clubs are in return for the provision of facilities and services and for the Member Club's participation in the competitions of The League.
- 38.2 All payments referred to or paid under these Articles are exclusive of value added tax where this is relevant.
- 38.3 Notwithstanding any provisions of these Articles or the Regulations any income received by The League arising out of:
- 38.3.1 the liquidation of ITV Digital/ON Digital after the 10th June 2005; and/or
- 38.3.2 the High Court action against former advisors to The League in respect of the agreement with ITV Digital/ON Digital
- (together 'Compensatory Income') shall be apportioned equally between Seasons 2002/03 and 2003/04 and such Compensatory Income (net of any costs relating to such Compensatory Income) shall be distributed to those Clubs who were members of The League in Seasons 2002/03 and 2003/04 based upon their divisional status in each of those Seasons and in accordance with the principles set out in this Section 6 as Net Television Income and not based upon their divisional status at the time such Compensatory Income is received by The League.

39 DIVISIONAL ALLOCATIONS

39.1 Payments from the Pool Account in respect of any Season shall be allocated to each Division in accordance with the following provisions.

39.1.1 Sums up to £33m in any Season shall be allocated to each Division in accordance with the following table:

Championship	League 1	League 2
59.6%	23.9%	16.5%

39.1.2 Sums in excess of £33m in any Season (the **Excess**) shall be allocated to each Division as follows:

(a) That part of the Excess which relates to an Increase in Net Television Income shall be allocated in accordance with the following table:

	Championship	League 1	League 2
Sums up to £67m	80%	12%	8%
Sums over £67m	90%	6%	4%

(b) The balance of the Excess after the payments referred to above shall be deemed to relate to Commercial Income and shall be allocated equally between the Divisions.

39.2 The amounts of:

39.2.1 £22.6m referred to in the definition of Increase in Net Television Income; and

39.2.2 £33m and £67m referred to in Article 39.1,

shall be adjusted in the Season that each new domestic "live" broadcast agreement (each a **Broadcast Agreement**) comes into effect, in accordance with the calculation set out in Article 39.3 below, for the duration of that Broadcast Agreement.

39.3 The amount of the adjustment will be calculated as follows:

39.3.1 for the duration of the 2009 Broadcast Agreement, by a percentage equal to the increase (or decrease) in Headline Index of Retail Prices issued by the Office of National Statistics from time to time ('RPI') between December 1998 and December 2008;

39.3.2 for the duration of the Broadcast Agreement taking effect immediately after the expiry of the 2009 Broadcast Agreement, by a percentage equal to the increase (or decrease) in RPI between:

- (a) December 2008; and
- (b) the December of the final Season of the 2009 Broadcast Agreement; and
- (c) for the duration of subsequent Broadcast Agreements, on a similar basis to the calculation set out in Article 39.3.2 above with appropriate adjustments to the dates used for calculating the change in RPI to have regard to the dates of each successive Broadcast Agreement.

- 39.4 The payment allocated to each Division will, after deduction of any amounts expended by The League arising out of the appointment of any executive officer appointed on behalf of that Division, be paid out to each Member Club as follows.

39.4.1 television facility fees as decided by the Board.

39.4.2 a basic award as explained in Article 40.

39.4.3 a ladder payment as explained in Article 41.

40 BASIC AWARD

- 40.1 The '**basic award**' means:

40.1.1 £620,000 for each Club of the Championship;

40.1.2 £300,000 for each Club of League 1; and

40.1.3 £210,000 for each Club of League 2.

- 40.2 Any Division may propose an increase in the basic award for that Division in accordance with Article 14.

- 40.3 If there are less than 24 Clubs in a Division for the whole of a Season, the unallocated basic award(s) will be divided equally between the remaining Clubs in that Division.

- 40.4 If there is not sufficient to pay the basic awards in full, the payment to each Club will be reduced pro-rata.

41 LADDER PAYMENT

- 41.1 The '**ladder payment**' means the payment to the Clubs of a Division of the balance of that Division's share of the Pool Account after payment of television facility fees and basic awards.

- 41.2 Within each Division, the payment will be made to each Club on merit based upon a Club's League position in that Division at the end of the Season. The bottom Club will receive one share in such payment and the Champion Club will receive the number of shares equivalent to the number of Clubs in that Division at the end of the Season. Each intermediate Club will receive the number of shares corresponding to its League position.

- 41.3 Any Member Club which ceases to be a member or fails to fulfil its fixtures during a Season shall not be counted in determining the number of places on the ladder and shall not receive any payment under the ladder principle.

42 SUMS NOT TO BE PAID INTO THE POOL ACCOUNT

- 42.1 Where:

42.1.1 there is a reduction in the number of Clubs in The FA Premier League and a resulting increase in the number of Clubs relegated to the Championship. This may result in an additional Club or Clubs being relegated throughout The League; and

42.1.2 there is a direct or indirect payment from whatever source to The League to compensate The League,

such payment shall be paid into a separate account and shall be allocated to each Division as determined by a special resolution of the Member Clubs. The allocation within the Division shall be decided by the Clubs in that Division or in the absence of agreement by the Board.

- 42.2 Where there is a direct or indirect payment from whatever source to The League to compensate The League relating to the movement of Clubs between Leagues such payment shall be paid into a separate account and shall be allocated as to 80% to the Championship, 12% to League 1 and 8% to League 2. The allocation within the Division shall be decided by the Clubs in that Division or in the absence of agreement by the Board.

- 42.3 Article 42.2 shall not apply to any payments received from the Football Association relating to the increase in promotion and relegation with the National League. Those sums shall be used by the Board to pay a sum of £50,000 to each League 2 Club subject to them having been a Member of the League prior to the Season in which the payment is intended to be made. Where any League 2 Club was not a Member of the League as described, the Board shall pay a sum of £34,875. The payments fall within Article 37.1.1. Any such payments are subject to the provisions of Article 48.2.

43 PARACHUTE PAYMENTS

- 43.1 The Board shall for one Season, subject to such Clubs remaining members of The League, pay a sum not exceeding 11.1% of the Basic Award for a Championship Club in that Season to each of the three Clubs relegated from the Championship to League 1 in accordance with Regulation 10.1.2.
- 43.2 The Board shall for one Season, subject to such Clubs remaining members of The League, pay a sum not exceeding 12.6% of the Basic Award for a League One Club in that Season to each of the four Clubs relegated from League 1 to League 2 in accordance with Regulation 10.1.2.
- 43.3 The Board may pay a sum to the Club or Clubs retiring from The League, in accordance with Regulation 10.1.3 calculated as follows:
- 43.3.1 in the first Season following relegation, a sum not exceeding 100% of the Basic Award for a League 2 Club in that Season; and
- 43.3.2 in the second Season following relegation, a sum not exceeding 50% of the Basic Award for a League 2 Club in that Season.
- 43.4 Any payments made under this Article 43 fall within Article 37.1 1 and shall be subject to the provisions of Article 48.2.
- 43.5 The payments set out in this Article 43 apply with effect from, and to those Clubs relegated at, the end of Season 2015/16 and thereafter.

44 GROUND IMPROVEMENT LEVY

- 44.1 The League may deduct from each Member Club's entitlement under the ladder principle in any season a ground improvement levy equal to 10% of such entitlement. All deductions will be paid to and administered by The Football Foundation in accordance with arrangements agreed between The League and the Foundation from time to time.
- 44.2 These provisions shall not apply to any Member Club whose ground meets the requirements of Lord Justice Taylor's Report as amended by subsequent legislation or as agreed between The League and The Football Foundation.

45 INTERIM PAYMENTS

- 45.1 The Board may make interim payments from the Pool Account to any Member Club. These will be based upon the sums likely to be paid to Member Clubs under these Articles and will be paid on account.
- 45.2 If the payments under Article 45.1 result in an over-payment for the Season, the Member Club will repay the excess on demand from The League.
- 45.3 Payments to Members Clubs under the Articles only become a legal liability of The League to a Member Club, if the Member Club completes all of its fixture obligations to The League for the relevant Season. This means that any interim payments under this Article 42 are repayable to The League on demand if the Member Club does not complete all of its fixture obligations.

46 CUP COMPENSATION

- 46.1 Subject to Article 46.2, where a Home Club has a League Match postponed only because the Away Club has a Football Association Cup match, that Home Club shall receive compensation.
- 46.2 Article 46.1 shall not apply:
- 46.2.1 For League One and Two Clubs, in respect of any League Matches postponed because of matches in the 1st and 2nd rounds of the Football Association Cup; and
- 46.2.2 For Championship Clubs, in respect of any League Matches postponed because of matches in the 3rd and 4th rounds of the Football Association Cup.
- 46.3 Where a Home Club has a League Match postponed from a Saturday only because the Away Club has an EFL Cup Competition match, that Home Club shall receive compensation. This will not apply if the Match is rearranged to another Saturday.
- 46.4 The amount of compensation will be the sum which will be the gross gate (excluding VAT) for that League Match, whenever played, up to the average of the gross gates of all the home League Matches played by that Member Club in the Season. Compensation will be paid at the end of the Season.

47 SALE OF TICKETS ON BEHALF OF THE LEAGUE

- 47.1 Where a Member Club sells match tickets on behalf of The League, it shall pay the proceeds of sale which are in the form of cash and cheques, directly into the Pool Account immediately. Where the proceeds are in the form of credit card payments into the Club's account, the Club shall pay those receipts into the Pool Account within 10 days of the credit card transaction.
- 47.2 Within 14 days of the match, the Member Club shall send to The League a final statement of account and ticket reconciliation and will pay into the Pool Account any balance due to The League. This applies whether or not the Club has itself been paid.
- 47.3 Within 7 days of the match, The League will pay to each Member Club participating in the match, 50% of its estimate of the amount which that Member will be entitled to receive out of the net gate receipts for that match.

48 FOOTBALL CREDITORS

- 48.1 Where a Member Club defaults in making any payment due to any of the following persons, the Member Club ('Defaulting Club') shall be subject to such penalty as the Board may decide and subject also to Article 48.2:
- 48.1.1 The League, The FA Premier League and the Football Association;
- 48.1.2 any of the Pension Schemes;
- 48.1.3 any Member Club and any Club of The FA Premier League;
- 48.1.4 any holding company of The League and any subsidiary company of that holding company;
- 48.1.5 any sums due to any full-time employee or former full-time employee of the Member Club by way of arrears of remuneration up to the date on which that contract of employment is terminated. This excludes for these purposes all and any claims for redundancy, unfair or wrongful dismissal or other claims arising out of the termination of the contract or in respect of any period after the actual date of termination;
- 48.1.6 any sums due to the Professional Footballers Association in repayment of an interest free loan together with such reasonable administration and legal costs as have been approved by the Board;
- 48.1.7 The Football Foundation;

- 48.1.8 The Football Conference Limited trading as "the National League";
 - 48.1.9 The Northern Premier League Limited;
 - 48.1.10 The Isthmian League Limited;
 - 48.1.11 The Southern League Limited;
 - 48.1.12 Any member club of the League or organisations listed in Articles 48.1.8 to 48.1.11 inclusive;
 - 48.1.13 Any County Football Association affiliated to The Football Association; and
 - 48.1.14 Any Leagues affiliated to The Football Association and any clubs affiliated to any County Football Association recognised by The Football Association.
- 48.2 Subject to the provisions of Articles 48.3 and 48.4, the Board shall apply any sums standing to the credit of the Pool Account which would otherwise be payable to a Defaulting Club, in discharging the creditors in Article 48.1. As between the Football Creditors, the priority for payment shall be in accordance with the order in which those Football Creditors are listed in Article 48.1.
- 48.3 If, having discharged all Football Creditors in any preceding class of Football Creditor (as required by Article 48.2) the sum then available is not sufficient to discharge in full the Football Creditors listed in Articles 48.1.1, 48.1.2 or 48.1.4 the Board will decide the allocation.
- 48.4 If, having discharged all Football Creditors in any preceding class of Football Creditor (as required by Article 48.2) the sum then available is not sufficient to discharge in full the Football Creditors listed in Article 48.1.3, 48.1.5, 48.1.12, 48.1.13 or 48.1.14 the sum will be allocated pro rata amongst the creditors of the same class.

Note. Clubs are reminded that any assignment of future entitlements from the pool account are subject to Article 44 and this must be brought to the attention of the other party. Furthermore assignments must be in legal form and registered with the office. Assignments are given priority according to the date and time of registration.

49 AUDITORS

- 49.1 The appointment and duties of The League's Auditors will be governed by the Companies Act. The Auditor is entitled to attend any general meeting and to receive notices of and any other communication relating to any general meeting which any Member Club is entitled to receive. The Auditor will also be entitled to speak at any general meeting on any business which concerns them as auditor.

SECTION 7 MISCELLANEOUS

50 NOTICES

- 50.1 Any notice or other document can be served or delivered by The League on or to a Member Club or in their capacity as a member, the Company Secretary:
- 50.1.1 personally;
 - 50.1.2 by posting it (with postage paid) to the address given for the member in the register of members; or
 - 50.1.3 by leaving it at the address given for the member in the register, addressed to that address.

- 50.2 Where a notice or document is served by post, it will be treated as being served and delivered 24 hours after it was posted. In proving service, The League shall only be required to prove on a balance of probabilities that the envelope containing the notice or document was properly addressed and put into the postal system.
- 50.3 Any notice or document which is delivered to or left at a registered address other than by post will be treated as having been served or delivered on the day that it was delivered or left there.
- 50.4 Notices given under the Acts must comply with the requirements of the Acts. Except where The League requires otherwise, notices can be given by electronic means providing that confirmation of actual receipt is the responsibility of the sender.

51 WINDING UP

- 51.1 The Board can on behalf of The League and in The League's name present a petition to a court for The League to be wound up.

52 INDEMNITY

- 52.1 Every Director, Company Secretary and all other officers of The League are entitled to require The League to indemnify them against all the costs, charges, losses, expenses and liabilities which they incur in or in connection with the performance of their duties as an officer or employee of The League.
- 52.2 This includes any liability in defending any proceedings, criminal or civil, relating to any act or omission or alleged act or omission by them as an officer or employee of The League. In the case of any liability incurred in defending any proceedings, judgment must be given in favour of the individual (or the proceedings must be dealt with in such a way that they are neither found guilty of nor admits to any material breach of their duties) or they must be acquitted, or the court must give relief in connection with any application under any statute for relief from liability.