

The Companies Act 2006

Special Resolution

of

Exeter Rugby Club Limited

Company Number: 3320422

At the Annual General Meeting of the Company
held at Sandy Park Stadium

on the 25th day of November 2009.

the following resolution was duly passed:

THAT the regulations set forth in the printed document produced to this meeting be approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, all existing Articles thereof.

Dated this 25th day of November 2009.

By the order of the Board

Chairman

FRIDAY



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COMPANIES HOUSE

EXETER RUGBY CLUB LIMITED

ARTICLES OF ASSOCIATION

THE COMPANIES ACTS 1985, 1989 and 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

EXETER RUGBY CLUB LIMITED

Company Number : 3320422

(Adopted by Special Resolution on 2009)

PRELIMINARY

1. (a) The Regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (*SI 1985/805*) as amended by the Companies (Table A to F) (Amendment) Regulations 2007 (*SI 2007/2541*) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (*SI 2007/2826*), and as otherwise amended before the adoption of these Articles (Table A) shall apply to the Company, except insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- (b) In these Articles the expression "the Act" means the Companies Act 1985 and the expression "CA 2006" means the Companies Act 2006, but so that any reference in these Articles to any provision of the Act or the CA 2006 (as appropriate) shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force, and references herein to the Companies Acts shall be to the Act, the Companies Act 1989 and the CA 2006 as amended from time to time.
- (c) In these Articles the following expressions shall have the following meaning:
 - "Director" : a director of the Company for the time being;
 - "Club" : the member's club owned and operated by the Company and Exeter Rugby Group Limited (company number : 3311324) and known as "Exeter Rugby Club" (previously known as Exeter Football Club);
 - "Member" : any holder for the time being of Share(s);
 - "Share(s)" : shares in the capital of the Company;
 - "Trust Deed" : the deed of trust dated 18 March 1998 between P Derbyshire, R Staddon, J Gibson and D Manley (as amended supplemented varied or substituted from time to time) upon the terms of which the issued Ordinary

shares of £1 each of Exeter Rugby Group Limited
(company number : 3311324) are held;

"Trustees" : the trustees for the time being of the trusts comprised
in the Trust Deed.

ALLOTMENT OF SHARES

2. (a) Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraphs (e) and (g) below), allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.

(b) Any Shares which are for the time being un-issued shall, before issue, be offered to the Members respectively in proportion as nearly as may be to the number of Shares held by each of them respectively at the time of such offer. The offer, which shall be by notice in writing and sent by registered post ("the First Notice") shall be on identical terms for each of the Members, shall specify the number of Shares offered to each such Member and the price per Share ("the Offer Price") and shall invite each of such Members to state in writing by registered post within a period of fourteen days whether he is willing to take the number of Shares so offered to him. At the expiration of the term limited by the First Notice the Directors shall (subject to receiving payment therefor) allot the Shares so offered to the persons who have notified their willingness to take their entitlements (or part thereof) of the Shares comprised in the First Notice so far as may be in proportion to the number of Shares held by such persons respectively at the date of the First Notice.

(c) Any of the Shares so offered which are not taken up under Article 2 (b) (if any) shall next be offered at the Offer Price to those Members who have notified their willingness to take all the Shares offered to them by the First Notice. The offer, which shall be by notice in writing and sent by registered post ("the Second Notice"), shall be on identical terms for each of such Members, shall specify the number of Shares offered, the Offer Price, the names of Members who have taken up Shares under the First Notice, and the number of Shares so taken up and shall invite each of such Members to state in writing by registered post within a period of fourteen days whether he is willing to take any, and if so what maximum number, of the Shares so offered. At the expiration of the time limited by the Second Notice the Directors shall (subject to receiving payment therefore) allot the Shares so offered to or amongst the persons who have notified their willingness to take any Shares comprised in the Second Notice so far as may be in proportion to the number of Shares held by such persons respectively (including the Shares comprised in the First Notice accepted by them) at the date of the Second Notice, but so that no person shall be obliged to take more than the maximum number of Shares comprised in the Second Notice so notified by him as aforesaid.

(d) Subject to Article 2(e), any of the Shares comprised in the Second Notice which are not taken up pursuant to Article 2(c) may be disposed of by the Directors in such manner as they think most beneficial to the Company, on terms no more favourable to the offeree than those on which such Shares were offered under the provisions of Article 2(c). The Directors may in like manner dispose of any such new Shares as aforesaid, which by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in

apportioning the same cannot in the opinion of the Directors be conveniently offered in the manner hereinbefore provided.

(e) The Directors shall not, without the prior approval of a resolution of the members of the Club passed at a General Meeting of the Club, in respect of which at least seventy five per cent of those attending (in person) voted in favour, issue any new Shares to any person unless such Shares are to be held by Exeter Rugby Group Limited (company number: 3311324).

(f) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

(g) The Directors are generally and unconditionally authorised for the purposes of Section 80 of the Act, to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into Shares of the Company up to a maximum nominal amount of Shares equal to the amount of the authorised but unissued share capital of the Company at the date of adoption of these Articles of Association at any time or times during the period of five years from the date of adoption of these Articles of Association and the Directors may, after that period, allot any Shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

(h) For the purposes of Sections 160, 162 and 171 of the Act the Directors are hereby authorised to redeem or purchase any Shares on behalf of the Company on such terms and conditions as the Directors shall direct and may make payments for any such purpose otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of Shares, subject nevertheless to the provisions of Chapters V, VI and VII of Part V of the Act and these Articles. Regulation 35 of Table A shall not apply.

SHARES

3. The lien conferred by Regulation 8 in Table A shall attach also to fully paid-up Shares, and the Company shall also have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.
4. The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

GENERAL MEETINGS AND RESOLUTIONS

5. (a) Every notice convening a General Meeting shall comply with the provisions of Section 325(1) of the CA 2006 as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.

(b) No business shall be transacted at any General Meeting unless a quorum is present. Subject to paragraph (c) below two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.

(c) If and for so long as the Company has only one Member, that Member present in person or by proxy or if that Member is a corporation by a duly authorised representative shall be a quorum.

(d) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefore such adjourned General Meeting shall be dissolved.

(e) Regulations 40 and 41 in Table A shall not apply to the Company.

(f) Subject to complying with all applicable law, the Annual General Meeting of the Company shall be convened and held on the same day as that for the Annual General Meeting of Exeter Rugby Group Limited (company number: 3311324).

6. (a) If and for so long as the Company has only one Member and that Member takes any decision which is required to be taken in General Meeting or by means of a statutory written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to Sections 168 and 510 of the CA 2006.

(b) Any decision taken by a sole Member pursuant to paragraph 6(a) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

APPOINTMENT OF DIRECTORS

7. (a) Regulation 64 of Table A shall not apply to the Company.

(b) The maximum number and minimum number respectively of the Directors may be determined from time to time by Special Resolution in General Meeting of the Company. Subject to and in default of any such determination the minimum number of Directors shall be five and the maximum number of Directors shall be ten. No person shall be a Director unless they are also a director of Exeter Rugby Group Limited (company number: 3311324). If a person who is a Director ceases to be a director of Exeter Rugby Group Limited (company number: 3311324) his office as a Director of the Company shall be vacated. Regulation 81 of Table A shall be adapted accordingly. No person who is a Trustee shall be eligible for appointment as a Director. No person who is not a member of the Club shall be eligible for appointment as a Director.

(c) The Directors shall not be required to retire by rotation and Regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.

(d) Subject to paragraph 7(b), no person shall be appointed a Director at any General Meeting unless either:-

- (i) he is recommended by the Directors; or
- (ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the General Meeting, notice signed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.

(e) Subject to paragraphs 7(b) and (d) above, the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.

(f) Subject to paragraph 7(b), the Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with paragraph 7(b) above as the maximum number of Directors for the time being in force.

(g) In any case where as the result of the death of a sole Member of the Company the Company has no Members and no Directors the personal representatives of such deceased Member shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be as effective as if made by the Company in General Meeting pursuant to paragraph (e) of this Article.

BORROWING POWERS

8. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into Shares) to Section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

ALTERNATE DIRECTORS

9. (a) An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 in Table A shall be modified accordingly.
- (b) A Director, or any such other person as is mentioned in Regulation 65 in Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

GRATUITIES AND PENSIONS

10. (a) The Directors may exercise the powers of the Company conferred by Clause 3(ii)(s) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- (b) Regulation 87 in Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

11. (a) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Unless all Directors indicate their willingness to accept shorter notice at a meeting of Directors, at least two days' prior notice of the time and place of each meeting of Directors shall be given.
- (b) A Director may and the Secretary on the requisition of a Director shall, at any time summon a meeting of Directors. Notice of every meeting of the Directors shall be given to every Director, but the non-receipt of notice by one Director shall not invalidate the proceedings at any meeting of the Directors.
- (c) Any Director (including an alternate Director) may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- (d) The quorum necessary for the transaction of business of the Directors shall be five and Regulation 89 of Table A shall be varied accordingly.

THE SEAL

12. (a) If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or second Director. The obligation under Regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 of Table A shall not apply to the Company.
- (b) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

DIRECTORS' CONFLICTS OF INTERESTS

13. (a) The Directors may, in accordance with the requirements set out in this Article 13, authorise any matter proposed to them by any Director which would, if not

authorised, involve a Director breaching his duty under section 175 of the CA 2006 to avoid conflicts of interest ("Conflict").

(b) Any authorisation under this Article 13 will be effective only if :

(i) 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;

(ii) 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

(iii) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

(c) Any authorisation of a matter under this Article may (whether at the time of giving the authority or subsequently) :

(i) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

(ii) be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine;

(iii) 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.

(d) In authorising a Conflict the Directors may decide (whether at the time of giving the authority 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 :

(i) disclose such information to the Directors or to any Director or other officer or employee of the Company;

(ii) 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.

(e) Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authority or subsequently) that the Director :

(i) is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

(ii) is not given any documents or other information relating to the Conflict;

(iii) 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.

(f) Where the Directors authorise a Conflict :

(i) the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict;

(ii) the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the CA 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

(g) 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 the relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (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.

DIRECTORS' DECLARATION OF INTERESTS

14. (a) A Director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Companies Acts.

(b) A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable in accordance with the Companies Acts, unless the interest has already been declared under Article 14(a).

(c) Subject, where applicable, to the disclosures required under Article 14(a) and Article 14(b), and to any terms and conditions imposed by the Directors in accordance with Article 13, a Director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.

(d) A Director need not declare an interest under Article 14(a) and Article 14(b) as the case may be :

(i) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;

(ii) of which the Director is not aware, although for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware;

(iii) if, or to the extent that, the other Directors are already aware of it, and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware (including without limitation the fact that each Director is a director of Exeter Rugby Group Limited (company number : 3311324) and a member of Exeter Rugby Club); or

(iv) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting.

(e) Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company.

AMENDMENT TO ARTICLES

15. No amendment shall be made to the provisions of these Articles or the Articles of Association of Exeter Rugby Group Limited (company number : 3311324) unless the amendment shall have first been approved by a resolution of the members of the Club passed at a General Meeting (or Annual General Meeting) of the Club in respect of which at least seventy five per cent of those attending (in person) voted in favour.

NOTICES

16. Any notice to be given to or by any person pursuant to these Articles may be given in writing on paper or in any other visible form including facsimile and electronic mail and a notice communicated by such form of immediate transmission shall be deemed to be given at the time it is transmitted to the person addressed provided that :

16.1 such notice shall have been transmitted to the correct number/terminal and the sender shall, at his terminal, have confirmation of such transmission; and

16.2 a copy of such notice is sent by first class post to the person to whom it is addressed within 24 hours of transmission.

Regulations 111 and 112 of Table A shall be modified accordingly.

TRANSFER OF SHARES

17. The Directors may, in their absolute discretion and without assigning any reason therefore, decline to register the transfer of a share, whether or not it is a fully paid share, and the first sentence of Regulation 24 in Table A shall not apply to the Company.

INDEMNITY

18. (a) Subject to the Companies Acts, but without prejudice to any indemnity to which a Director may otherwise be entitled, each Director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him/her as a Director or other officer of the Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006) in the actual or purported execution and/or discharge of his/her duties, or in relation thereto including any liability incurred by him/her in defending any civil or criminal proceedings, in

which judgment is given in his/her favour or in which he/she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his/her part or in connection with any application in which the Court grants him/her relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs.

(b) The Company may buy and maintain insurance against any liability falling upon its Directors or other officers or auditors which arises out of their respective duties to the Company, or in relation to its affairs.