

The Companies Acts 1948 to 1980

COMPANY LIMITED BY SHARES

NEW

Articles of Association

OF

BIRMINGHAM CITY FOOTBALL CLUB PLC

PRELIMINARY

1. (A) Save as hereinafter otherwise provided, the regulations contained in Part I of Table A in the First Schedule to the Companies Act 1948 (hereinafter referred to as "Table A") as modified by the provisions of the Companies Acts 1948 to 1980 (as defined in Section 90(2) of the Companies Act 1980) shall apply to the Company.

(B) The following definitions shall be added to the definitions set out in Regulation 1 of Table A:

- (i) "the 1980 Act" means the Companies Act 1980
- (ii) "the Statutes" means the Companies Acts 1948 to 1980 as defined in Section 90(2) of the Companies Act 1980 and every other Act for the time being in force affecting the Company.

2. The Company is a public company.

3. The following regulations in Table A shall not apply to the Company: 10, 24, 79, 107 and 108.

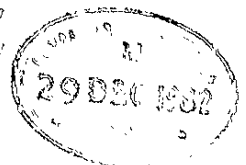
SHARE CAPITAL AND SHARES

4. (A) At the date of the adoption of this Article the capital of the Company is £500,000 divided into 960,000 Ordinary Shares of 50p each and 40,000 4.2 (formerly 6) per cent Redeemable Cumulative Preference Shares of 50p each (hereinafter referred to as "the Cumulative Preference Shares").

(B) The rights attaching to the said shares are as follows:

(i) The profits resolved to be distributed in respect of any financial year or other period of the Company are to be applied:

- (a) first in paying a fixed cumulative preferential dividend at the rate of 4.2 per cent per annum on the capital paid up or credited as paid up thereon in priority to any payment of dividend to the holders of any



other class of share in the capital of the Company provided always that such cumulative dividend shall be cumulative for a period of three years. The holders of the Cumulative Preference Shares shall not be entitled to any further right to participate in the profits of the Company;

- (b) second, the balance shall, subject to the prior rights attached to any other class of shares for the time being existing, be distributed amongst the holders of the Ordinary Shares in proportion to the amounts paid up or credited as paid up on the Ordinary Shares held by them respectively.
- (ii) On a winding-up of the Company the surplus assets (if any) shall be applied:
- (a) first, in repaying to the holders of the Cumulative Preference Shares the capital paid up or credited as paid up on such shares together with a sum equal to any arrears or deficiency of the fixed dividend thereon accrued, as provided in (i) (a) above, up to the date of the commencement of the winding-up and to be payable whether such dividend has been earned or declared or not but the holders of such shares shall not be entitled to any further rights to participate in the surplus assets of the Company;
 - (b) second and subject to the prior rights attached to any other class of share then existing, in repaying to the holders of the Ordinary Shares the capital paid up or credited as paid up on the Ordinary Shares held by them respectively;
 - (c) third, the balance if any shall be paid to The Football Association Limited Benevolent Fund or to some other Club or Institute (whether incorporated or unincorporated) in Birmingham having objects similar to those contained in the Memorandum of Association of the Company or to any charity or charitable or benevolent institution situate within Birmingham such Club, Institute, charity or charitable or benevolent institution to be decided upon and such property apportioned amongst all or any such Clubs, Institutes or charities as the Company may by special resolution passed prior to the dissolution of the Company direct or in default of any such decision or apportionment being directed by the Company, the same is to be decided upon and apportioned by a Judge of the High Court of Justice having jurisdiction in such winding-up and as he shall determine or such balance may be disposed of in such other manner as the Company may by special resolution and with the written consent of the Council of The Football Association Limited determine.

(iii) The holders of the Cumulative Preference Shares shall not be entitled to receive notice of or to attend or vote at any General Meeting of the Company unless such meeting is convened for the purposes of considering a resolution for the winding-up of the Company or for the purpose of varying the rights or privileges attached to such shares.

(c) Subject to the provisions of these Articles the Company shall be at liberty from time to time to create and issue further Preference Shares ranking *pari passu* with the Cumulative Preference Shares and to create and issue further shares ranking in all respects after the Cumulative Preference Shares as regards dividends and return of capital and whether for cash or in any other manner (including shares issued by way of capitalisation of profits and reserves) but no shares ranking in priority to the Cumulative Preference Shares whether as to dividend or return of capital or both shall be created or issued without the consent of the holders of the Cumulative Preference Shares in the manner provided by the Articles of Association for the time being of the Company and the Statutes for the variations of rights attached to such class.

(d) The Company may at any time upon giving not less than three months previous notice in writing to the holders of the Cumulative Preference Shares and subject to complying with the Statutes redeem out of the profits which would otherwise be available for dividend or in any other manner permitted by the Statutes the whole or any part of the Cumulative Preference Shares at par. Any such notice as aforesaid shall be in writing and shall fix the time and place of redemption and at the time and place so fixed the registered holders of the Cumulative Preference Shares to be redeemed shall be bound to deliver up to the Company the certificates thereof for cancellation and thereupon the Company shall pay to them the redemption moneys payable in respect of such shares. In the event of partial redemption the Cumulative Preference Shares to be redeemed at any time under the provisions of this Article shall be provided by such holders of such shares in such proportions and in such manner as the Directors may determine.

5. (A) The Directors may subject to Article 6 hereof allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by Section 14(10) of the Companies Act 1980) of the Company to such persons and generally on such terms and conditions as the Directors think proper but subject always to the provisions of the Statutes.

(B) The general authority conferred by paragraph (A) of this Article shall be conditional upon due compliance with Article 6 hereof and shall extend to an amount of shares equal to the authorised but unissued share capital of the Company at the date of the adoption of these Articles. The said authority will expire on 14th December 1987 unless renewed, varied or revoked by the Company in General Meeting.

(c) The Directors shall be entitled under the general authority conferred by paragraph (A) of this Article to make at any time before the expiry of such authority any offer or agreement which will or might require relevant securities of the Company to be allotted after the expiry of such authority.

6. (A) The Company shall have no power to issue or allot any share with any right to a cumulative dividend where such dividend is cumulative for a period exceeding three consecutive years. Regulation 2 of Table A shall be modified accordingly.

(B) The Company shall have no power to issue any Preference Shares (whether as regards dividends or a return of capital or both) where such issue shall result in the number of Preference Shares (including the Cumulative Preference Shares) in issue being or becoming greater than the number of Ordinary Shares then in issue. For the avoidance of doubt it is hereby declared that no account shall be taken of the nominal value of or the amount paid up on any Preference or Ordinary Shares.

(C) The Company shall have no power to issue any Preference Shares having the right to a dividend exceeding 5.25 per cent before deduction of tax of the capital paid up or credited as paid up on each such share.

(D) The Directors shall have no power or authority to grant to any person any right to subscribe for or to convert any security into Preference Shares (whether as regards dividends or capital) and accordingly to allot any relevant securities (as defined in Section 14 (10) of the 1980 Act) where any such right will or may result in the number of Preference Shares as aforesaid in issue being or becoming greater than the number of Ordinary Shares in issue at any time.

(E) The Company shall have no power to subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association. Regulation 45 of Table A shall be modified accordingly.

7. The Directors of the Company are hereby given power to allot equity securities (as defined in Section 17 (11) of the 1980 Act) pursuant to the general authority given by Article 5 above as if Section 17 (1) of the 1980 Act did not apply to such allotment.

8. In Regulations 8 and 9 of Table A the figure "2s. 6d." shall be excluded wherever such figure appears and the figure "£5" substituted therefor.

PROCEEDINGS AT GENERAL MEETING

9. The first sentence of Regulation 59 of Table A shall not apply to the Company and the following shall be substituted therefor:

"The Chairman may in his absolute discretion and shall if so directed by the meeting at which a quorum is present adjourn any general meeting from time to time and from place to place

but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place."

DIRECTORS

10. Unless and until otherwise directed by the Company in General Meeting the Directors shall be not less than 4 nor more than 12 in number.

11. No Director shall be entitled to receive any remuneration in respect of his office as Director or as an employee of the Company in accordance with Regulation 76 of Table A or otherwise unless such remuneration shall have been previously authorised and permitted by The Football Association Limited.

12. No Director shall be required to hold any shares as qualification for such office.

BORROWING POWERS

13. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures whether outright or as security for any debt, liability or obligation of the Company or of any third party. The amount for the time being remaining undischarged of moneys borrowed by the Directors for the purposes of the Company shall be unlimited. Regulation 79 of Table A shall not apply to the Company.

DISQUALIFICATION OF DIRECTORS

14. In addition to the circumstances set out in Regulation 88 of Table A which shall apply to the Company with the exclusion of the word and figure "or 185" where such appear, the office of Director shall be vacated if the Director be suspended by The Football Association Limited from taking part in football management.

15. No person shall be or become incapable of being appointed, reappointed or re-elected a Director by reason of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person and no Director shall vacate his office at any time by reason of his having reached the age of seventy or any other age.

PROCEEDINGS OF DIRECTORS

16. The quorum necessary for the transaction of the business of the Directors shall be three Directors personally present.

17. A Director who is unable to attend any meeting of the Board may authorise another Director to vote on his behalf at such meeting and in that event any Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. Any such authority must be in writing which must be produced at the Board Meeting at which the same is to be used and be left with the Secretary for filing.

MANAGING DIRECTOR

18. The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period and save as hereinafter otherwise provided on such terms as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not whilst holding such office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director.

19. No Managing Director shall be entitled to receive any remuneration whether by way of salary, commission or participation in profits or partly in one way and partly in the other, unless and until such remuneration as the Directors may resolve to pay to the Managing Director shall have been permitted or approved by The Football League Limited and The Football Association Limited. Regulations 107 and 108 of Table A shall not apply to the Company.

DIVIDENDS AND RESERVES

20. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of the statutes which apply to the Company and no larger dividend on any Ordinary Share shall be declared than the maximum dividend allowed from time to time by The Football Association Limited. Until otherwise determined by The Football Association Limited the maximum dividend payable in respect of any year shall be 10 per cent before deduction of tax. Provided always that if in respect of any financial year (hereinafter referred to as "the year of deficit") no dividend is declared and paid on the Ordinary Shares of the Company or the dividend declared and paid is less than the maximum for the time being authorised by The Football Association Limited the Company may in the next succeeding year and/or second and/or third succeeding year following the year of deficit declare and pay in addition to the maximum dividend for such year or years such additional dividend or dividends as together shall be necessary to enable the Members to receive in respect of the year of deficit an amount equal to the maximum dividend authorised by The Football Association Limited in the year of deficit.

21. Unless and until the Company shall have received the written consent of the Council for the time being of The Football Association Limited the Company shall have no power to make

any bonus issue or to allot and issue any bonus shares or pay any capital dividend. Regulations 120, 128, 128A and 129 of Table A shall be modified accordingly.

WINDING UP

22. On the winding-up of the Company the surplus asset, (if any) shall be applied first in repaying to the Members the amount paid on their shares respectively and if such assets shall be insufficient to repay the said amount in full they shall be applied rateably so that the loss shall fall upon the Members in proportion to the amount called up on their shares respectively and no Member shall be entitled to have any call made upon other Members for the purpose of adjusting his rights; but where any call has been made and has been paid by some of the Members such call shall be enforced against the remaining Members for the purpose of adjusting the rights of the Members between themselves. If the surplus assets shall be more than sufficient to pay to the Members the whole amount paid up on their shares the balance shall be given to The Football Association Limited Benevolent Fund or to some other Club or Institute in the City of Birmingham having objects similar to those contained in the Memorandum of Association or to any local charity or charitable or benevolent institution situate within the said City such club, institution or charity to be decided upon and such property apportioned among all or any of such clubs institutions or charities as the Company may by special resolution passed prior to the dissolution of the Company direct or in default of any such decision or apportionment being directed by the Company the same to be decided upon and apportioned by a Judge of the High Court of Justice having jurisdiction in such winding-up and as he shall determine or such balance may be disposed of in such other manner as the Company may by special resolution and with the written consent of the Council of The Football Association Limited shall determine.

This print is a true copy of the New Articles of Association of Birmingham City Football Club PLC as adopted by Special Resolution of the Company passed on the 14th day of December 1982



C.K. COOMBS
Chairman