

HARBOROUGH TOWN TRADING LIMITED

ARTICLES OF ASSOCIATION

Final version for approval at AGM

1. Preliminary

1.1 Name

The name of the Company is **Harborough Town Trading Limited** (the **Company**).

1.2 Registered office

The registered office of the Company shall be in England and Wales.

1.3 Company type

The Company is a private company limited by shares.

1.4 Exclusion of model articles

No articles set out in any statute or statutory instrument concerning companies shall apply as articles of the Company. These Articles alone shall constitute the articles of association of the Company.

2. Interpretation

2.1 In these Articles, unless the context otherwise requires:

Act means the Companies Act 2006.

Articles means these articles of association as altered from time to time.

Board means the board of Directors for the time being of the Company.

Business Day means a day other than a Saturday, Sunday or public holiday in England.

Chair means the person appointed to chair meetings of the Board in accordance with these Articles.

Company means Harborough Town Trading Limited.

Director means a director of the Company and includes any person occupying the position of director, by whatever name called.

General Manager means the senior operational manager of Harborough Town Football Club from time to time (however titled), appointed by the Trust and accountable to, and reporting to, the board of Trustees of the Trust, and exercising day-to-day operational

responsibility for the Club in accordance with any scheme of delegation approved by the Trust and the Company.

HTCT / Trust means **Harborough Town Community Trust**, a charitable company limited by guarantee.

HTFC Ltd means **Harborough Town Football Club Limited**, a private company limited by guarantee.

Interested Director means a Director who is directly or indirectly interested in a transaction or arrangement with the Company or otherwise has an actual or potential conflict of interest in relation to a matter being considered.

Ordinary Resolution and **Special Resolution** have the meanings given in the Act.

Shareholder means a holder of Shares.

Shares means the shares in the capital of the Company.

Trading Activities means the commercial and trading activities carried on by the Company, including bar, catering, hospitality, events, retail, sponsorship servicing, facilities management and any other trading activity approved by the Shareholder.

Writing includes any form of communication sent by post or by electronic means and any communication capable of being read or reproduced in permanent form.

2.2 References to one gender include all genders.

2.3 References to persons include individuals, bodies corporate, unincorporated associations and partnerships.

2.4 A reference to a statute or statutory provision includes any modification, re-enactment or replacement of it for the time being in force.

2.5 Headings are for convenience only and do not affect interpretation.

3. Objects and guiding constraints

3.1 The objects of the Company are to carry on Trading Activities for the benefit of the wider Harborough Town group, including in particular:

- (a) bar, catering, hospitality and matchday / non-matchday event operations;
- (b) conferencing, venue hire and functions;
- (c) retail, merchandising, kit supply, online retail and commercial distribution;
- (d) sponsorship activation and servicing;

- (e) facilities management, compliance, maintenance, cleaning, security and operational support;
- (f) provision of operational services to HTCT and HTFC Ltd under service agreements;
- (g) commercial exploitation of the club premises under licence from HTCT; and
- (h) doing all lawful things which are incidental or conducive to the attainment of those objects.

3.2 The Company shall conduct its business so as not to prejudice:

- (a) the Trust's charitable status, independence, public benefit position or charitable reliefs (including charitable business rates relief);
- (b) HTFC Ltd's compliance with applicable football regulation; or
- (c) the separation of purpose and risk between HTCT, HTFC Ltd and the Company.

4. Relationship with HTCT and HTFC Ltd

4.1 The Company acknowledges and accepts that:

- (a) the Trust is and shall remain an independent charitable entity and the controlling Shareholder of the Company; and
- (b) HTFC Ltd is the football operating entity and holds football registrations and regulatory responsibility.

4.2 The Company shall occupy and operate from the club premises only under a written licence or other lawful written arrangement granted by HTCT.

4.3 All material arrangements between the Company and HTCT and/or HTFC Ltd shall:

- (a) be in Writing;
- (b) be properly approved in accordance with these Articles;
- (c) be on terms which are commercially proper and demonstrably justifiable; and
- (d) be consistent with the preservation of HTCT's charitable status and reliefs.

4.4 Nothing in these Articles authorises the Company to acquire, claim or exercise any proprietary or beneficial interest in the club premises or any other property of the Trust, save only where expressly approved by Special Resolution of the Trust and only where lawful.

5. Share capital, shareholders and transfers

5.1 The issued share capital of the Company at the date of adoption of these Articles shall be 100 ordinary shares of £1 each, all of which shall be fully paid and issued to, and held by, the Trust.

5.2 The Trust shall be the sole Shareholder unless and until otherwise approved by the Trust in accordance with:

- (a) its own constitutional requirements; and
- (b) charity law.

5.3 No Shares shall be issued, allotted or transferred and no rights attached to Shares shall be varied except with the prior written consent of the Trust.

5.4 Pre-emption (new issue)

If the Company proposes to issue Shares (other than to the Trust), the Shares must first be offered to the Trust on the same terms.

5.5 Transfers

No Shareholder may transfer any Shares except:

- (a) a transfer to the Trust; or
- (b) a transfer approved in advance in Writing by the Trust.

5.6 The Directors may refuse to register any transfer of Shares where registration would breach this Article 5.

6. General meetings of Shareholders

6.1 The Company may hold general meetings as required by the Act.

6.2 The Directors may call a general meeting whenever they think fit. The Shareholder may require the Directors to call a general meeting in accordance with the Act.

6.3 Notice

At least 14 clear days' notice shall be given of every general meeting unless a longer period is required by the Act.

6.4 Contents of notice

Every notice convening a general meeting shall specify:

- (a) the date, time and place of the meeting;

- (b) the general nature of the business;
- (c) the text of any Special Resolution to be proposed; and
- (d) the right to appoint a proxy.

6.5 Quorum

One Shareholder present in person or by proxy and entitled to vote shall constitute a quorum.

6.6 Voting

Subject to the Act and these Articles, resolutions shall be decided by ordinary or special resolution as applicable.

6.7 Written resolutions

Written resolutions of the Shareholder may be passed in accordance with the Act.

7. Directors

7.1 Number of Directors

Unless otherwise determined by Ordinary Resolution, the Company shall have not fewer than two Directors.

7.2 Appointment and removal

The Shareholder may by Ordinary Resolution appoint any person who is willing to act as a Director, either to fill a vacancy or as an additional Director.

The Shareholder may remove a Director by Ordinary Resolution in accordance with the Act.

7.3 Eligibility

A person shall not be appointed as a Director unless that person:

- (a) has attained the age of 16 years;
- (b) is not prohibited by law from acting as a director;
- (c) has consented to act; and
- (d) is likely to contribute appropriately to the governance and objects of the Company.

7.4 Chair

The Board shall appoint one Director to be Chair for such term and on such terms as it may determine.

8. Directors' general authority

8.1 Subject to the Act and these Articles, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company.

8.2 The Board's authority is subject to the matters reserved to the Shareholder and/or the Trust under these Articles.

9. Directors' decision-making

9.1 The general rule about decision-making by Directors is that any decision of the Directors must be either:

- (a) a majority decision at a meeting; or
- (b) a decision taken in accordance with Article 11 (unanimous decisions).

9.2 Questions arising at a Directors' meeting shall be decided by a majority of votes.

9.3 In the case of an equality of votes, the Chair of the meeting shall have a casting vote.

10. Calling Directors' meetings and quorum

10.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors.

10.2 Notice of a Directors' meeting shall indicate:

- (a) the proposed date and time;
- (b) where it is to take place; and
- (c) if by electronic means, how the Directors may participate.

10.3 Quorum

The quorum for Directors' meetings shall be two Directors.

10.4 If the total number of Directors is less than the quorum, the Directors must not take any decision other than a decision to appoint further Directors or call a general meeting.

11. Unanimous decisions of Directors

11.1 A decision of the Directors may be taken without a meeting if all eligible Directors indicate to each other by any means that they share a common view on a matter.

11.2 Such a decision may take the form of a resolution in Writing signed by all eligible Directors (or otherwise agreed in Writing).

11.3 A unanimous decision shall be as effective as a decision taken at a duly convened and quorate meeting.

12. Delegation and committees

12.1 Subject to these Articles, the Directors may delegate any of the powers conferred on them:

- (a) to any person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such extent;
 - (d) in relation to such matters; and
 - (e) on such terms and conditions,
- as they think fit.

12.2 The Directors shall record material delegations in Writing or in Board minutes.

12.3 The Directors remain responsible for the exercise of any delegated powers.

13. General Manager interface

13.1 The Company shall work operationally with the General Manager under any written scheme of delegation or operational protocol approved by the Trust.

13.2 The General Manager shall not be a Director by virtue only of holding that office.

13.3 The Company may employ or engage staff, consultants, contractors and advisers.

14. Conflicts of interest

14.1 A Director shall declare to the Board the nature and extent of any direct or indirect interest which the Director has in a proposed or existing transaction or arrangement with the Company or in any matter under consideration by the Board.

14.2 The Board may authorise a conflict or potential conflict of interest of a Director if:

- (a) the matter has been properly disclosed;
- (b) the Board considers the matter in the absence of the Interested Director unless the non-conflicted Directors resolve otherwise;
- (c) the Interested Director is not counted in the quorum for the relevant part of the meeting unless permitted by law and resolved by the non-conflicted Directors; and
- (d) the non-conflicted Directors determine that the conflict can properly be authorised.

14.3 Subject to Article 14.4, an Interested Director shall not vote or count towards quorum in relation to the relevant matter.

14.4 Group arrangements

A Director shall not be treated as interested by reason only of also holding office in, or acting for, HTCT and/or HTFC Ltd, provided that:

- (a) the interest is fully disclosed; and
- (b) the non-conflicted Directors resolve that the Director may participate to such extent as they specify.

14.5 The Board shall maintain an appropriate register of Directors' interests and conflicts.

15. Reserved matters

15.1 The Company shall not take any of the following actions without the prior written consent of the Trust (and where applicable, the Shareholder):

- (a) issuing, allotting or transferring Shares or varying rights attaching to Shares;
- (b) amending these Articles;
- (c) changing the name of the Company;
- (d) changing in any material respect the nature of the Trading Activities;
- (e) acquiring, disposing of or creating any interest in land;
- (f) granting security, borrowing or entering into finance arrangements above thresholds approved by the Trust;
- (g) entering into any material related-party transaction with HTCT, HTFC Ltd, a Director or Connected Person otherwise than on proper terms and with proper approval;
- (h) entering into any joint venture, partnership, profit-share or material outsourcing arrangement;

(i) taking any action reasonably likely to prejudice the Trust's charitable status, independence or entitlement to charitable business rates relief; or

(j) creating, acquiring or disposing of any subsidiary or material undertaking.

15.2 Nothing in this Article derogates from any requirement of the Act for Shareholder approval.

16. Accounts, records and transparency

16.1 The Directors shall ensure that proper accounting records are kept in accordance with the Act.

16.2 The Company shall prepare and file accounts and confirmation statements in accordance with the Act.

16.3 Minutes shall be kept of all Board meetings and all resolutions and decisions.

16.4 The Company shall provide timely financial information to the Trust so that the Trustees can discharge charity-law oversight responsibilities.

17. Distributions and dividends

17.1 Subject to the Act and any applicable charity law constraints applying to the Shareholder, the Company may declare and pay dividends to the Trust.

17.2 No dividend or distribution shall be made if, in the opinion of the Directors, it would materially impair the Company's ability to meet its liabilities as they fall due.

18. Notices

18.1 Subject to the Act, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides.

18.2 Any notice may be given personally, by post, by courier, or by electronic means.

18.3 The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings.

19. Indemnity and insurance

19.1 Subject to the Act, the Company may indemnify a Director or former Director against any liability incurred by that person in that capacity.

19.2 The Company may purchase and maintain insurance for or for the benefit of any person who is or was a Director against any loss or liability which may attach to that person in connection with that person's office.

20. Inter-entity dispute resolution

20.1 If a dispute arises between the Company and HTCT and/or HTFC Ltd concerning any matter of governance, occupation, services, costs, responsibilities or implementation of the group restructuring framework, the relevant parties shall first seek to resolve the dispute through good faith negotiation.

20.2 If the dispute is not resolved within 21 days of written notice, any party may require the dispute to be referred to mediation.

20.3 Unless otherwise agreed, the mediator shall be appointed by agreement or, failing agreement, by the Centre for Effective Dispute Resolution or such successor body as the parties may agree.

20.4 Nothing in this Article prevents urgent steps to protect legal rights, safeguarding obligations or regulatory compliance.

21. Winding up

21.1 If on the winding up or dissolution of the Company there remains any property after satisfaction of debts and liabilities, such property shall be transferred to the Trust or otherwise applied as the Trust lawfully directs.

22. Amendment of Articles

22.1 These Articles may be amended only with the prior written consent of the Trust and in accordance with the Act.
