

**Articles of Association of The Scottish Professional Football  
League Limited (Company Number SC175364)**

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As at 21 December 2020

Company Number SC175364  
THE COMPANIES ACTS 1985, 1989 AND 2006

## **PRIVATE COMPANY LIMITED BY SHARES**

### **ARTICLES OF ASSOCIATION**

**of**

### **THE SCOTTISH PROFESSIONAL FOOTBALL LEAGUE LIMITED**

#### **INTERPRETATION**

1. The Model Articles (hereinafter defined) in force at the date of adoption of these Articles (hereinafter defined) shall not apply to the Company but the regulations contained in the following clauses (as originally adopted and as from time to time altered by Qualified Resolution) shall be the Articles of Association of the Company.
2. In these Articles:-

**2006 Act** means the Companies Act 2006 including any statutory modification or re-enactments thereof for the time being in force;

**Alternate Director** means a natural person, for the time being, appointed to such office by the Members owning and operating Clubs, in any Season, entitled to participate in either League One or League Two, depending on the Division in which the Club of the Member, of which the person appointed as L1&L2 Director, is a director, is entitled to participate at the date of his or her appointment as the L1&L2 Director, such Alternate Director being a director of a Member owning and operating a Club entitled to participate in the other Division of League One and League Two than the Division in which the Club owned and operated by the Member of which the Alternate Director is a director;

**agreed form** means a form agreed by resolution of the Company from time to time;

**Articles** mean these articles of association of the Company;

**Associate** means in the case of (a) an individual:- (i) a close relative of that individual, including that individual's spouse, parent, step-parent, child, stepchild, uncle, aunt, nephew or niece, or a child or stepchild of such parent or spouse or anyone else of close relationship to the individual who, in the reasonable opinion of the Board, is or is likely to be acting in conjunction with the individual, (ii) any company, other body corporate, partnership or unincorporated association of which the individual is a director, member or partner or over which the individual is able to exercise control or influence, and (iii) any individual who is an employee or partner of that individual or a close relative of any such employee or partner; (b) a body corporate, partnership or

unincorporated association or like or similar body of several persons:-(i) any body corporate associated with it either through the holding of shares in it or by reason of control by contract or other form of agreement, (ii) any director, partner, member of the board of management or the like or employee of that body corporate or associated body corporate or any close relative of any such director, partner, member of the board of management or the like or employee; and in any case (c) where any person has an agreement or arrangement, whether legally binding or not, with any other person in relation to the exercise of his voting power in a Member or Club or in relation to the holding or disposal of his interest in such Member or Club, that other person;

**Board** means the board of Directors including, subject to the whole terms of Article 90, the Alternate Director, for the time being;

**clear days** in relation to a period of a notice means that period of days excluding the day when the notice is given or deemed to be given and excluding the day for which it is given or on which it is to take effect;

**Club** means the undertaking of an association football club, which is, for the time being, entitled, in accordance with the Rules, to participate in the League;

**Commercial Contract** means any contract entered into by the Company in the expectation of or which might reasonably be expected to generate Commercial Revenues;

**Commercial Resolution** means, in relation to those Reserved Matters referred to in Article 63, a resolution at a General Meeting, of which notice has been duly given in accordance with these Articles, and which requires the support of not less than 66% of the Members owning and operating Clubs entitled for the time being to be the members of the Premiership, whether all the Members owning and operating Clubs actually attend and vote or not, to be passed and in the vote on such a resolution only Members owning and operating Clubs entitled for the time being to be the members of the Premiership may participate;

**Commercial Revenues** means any monies or revenues generated, earned, received, receivable or derived of whatever nature which are paid or payable to the Company in connection with and/or arising out of the League and Play-Off Competitions, except for revenue derived by the Company from any ticket levy in a Play-Off Competition which shall be treated as Commercial Revenue or Other Revenue as provided in the Rules, including, without limitation, all monies or revenues paid or payable to the Company from Transmission and/or Radio Transmission and/or Other Transmission of League Matches and Play-Off Matches by or under contract with the Company, from sponsorship of the League, from licenses, affiliations, permissions, use of trade or other marks, exploitation of intellectual property and other commercial operations relating to the operation of the League and Play-Off Matches and from trackside advertising by the Company at any Club's ground or the Clubs or any of them which have been derived from rights, licences, facilities and properties which the Clubs or

any of them are obliged, in terms of the Rules, to make available to the Company but does not include, except where otherwise provided in these Articles or the Rules, any monies or revenues generated, earned, received, receivable or derived by the Company other than pursuant to Section I of the Rules;

**Company** means The Scottish Professional Football League Limited;

**Director** means a natural person appointed as director for the time being of the Company, including, without limitation, the Chairman, the Chief Executive and the Non-Executive Director, all for the time being, appointed in accordance with these Articles and, includes, subject to Article 90, the Alternate Director when he or she is acting in substitution for the L1&L2 Director in the absence, for whatever reason, of the L1&L2 Director ;

**Division** means a division of the League as provided in the Rules;

**document** includes, unless otherwise specified in these Articles, the Rules or Regulations, any document sent or supplied in hard copy form or electronic form;

**electronic form** shall have the meaning attributed to that phrase in section 1168 of the 2006 Act;

**General Meeting** means any meeting of the Members of the Company and shall include for the purposes of these Articles (except where expressly stated) the Annual General Meeting of the Members;

**Group Undertaking** means a “group undertaking” as defined in section 1161(5) of the 2006 Act;

**hard copy form** shall have the meaning attributed to that phrase in section 1168 of the 2006 Act;

**holder**, in relation to Shares, means a person whose name is entered in the register of Members of the Company as the holder of a Share;

**Homegrown Players Rule** means any agreement or rule relating directly or indirectly to the classification of players by the location of the club at which they received training and/or for which they were previously registered;

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

**Insolvency Event** means:-

- (a) entering into a company voluntary arrangement pursuant to Part 1 of the Insolvency Act, any moratorium procedure for the purposes of the Corporate Insolvency and Governance Act 2020 (“the 2020 Act”), a scheme of

arrangement with creditors under Part 26 of the 2006 Act, making any proposal for a restructuring plan in terms of the 2020 Act, and/or any compromise agreement with its creditors as a whole;

- (b) the lodging of a notice of intention to appoint an Administrator by the directors of the company and/or by the company concerned and/or by the holder of a qualifying floating charge or giving notice of appointment of an Administrator at the Court, all in accordance with the Insolvency Act, an application to the Court for an Administration Order under paragraph 12 of Schedule B1 to the Insolvency Act or where an Administrator is appointed or an Administration Order is made (“Administrator” and “Administration Order” having the meaning attributed to them respectively by paragraphs 1 and 10 of Schedule B1 to the Insolvency Act) or an interim manager or equivalent is appointed by any court as a step in any proceedings or process which includes the appointment of or notice to appoint (or intention to appoint) an Administrator or an application for the making of an Administration Order;
- (c) an Administrative Receiver (as defined by the Insolvency Act) or any other Receiver is appointed over any asset(s) of a Member, which, in the opinion of the Board is/are material to the Club’s ability to fulfil its obligations to the League as a Club and/or its obligations as a Member to the Company;
- (d) a Judicial Factor is appointed;
- (e) shareholders passing a resolution pursuant to section 84(1) of the Insolvency Act to voluntarily wind up;
- (f) a meeting of creditors is convened pursuant to section 95 or section 98 of the Insolvency Act;
- (g) 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;
- (h) ceasing or forming an intention to cease wholly or substantially to carry on all or any part of its business save for the purpose of reconstruction or amalgamation or otherwise in accordance with a scheme or proposals which have previously been submitted to and approved in writing by the Board;
- (i) in the case of an individual person, partnership or unincorporated association an award of sequestration, appointment of a trustee, entering into a trust deed for creditors, appointment of an interim judicial factor, appointment of a judicial factor or an equivalent or analogous appointment;
- (j) being subject to any order in an insolvency regime in any jurisdiction outside Scotland which is analogous to any one or more of the insolvency regimes detailed in paragraphs (a) to (i) above; and/or

- (k) have any proceedings or step taken or any court order in any jurisdiction made which has a substantially similar effect to any of the foregoing (a) to (i).

**L1&L2 Director** means the Director appointed, for the time being, to the Board by the Members owning and operating Clubs entitled to participate in League One or League Two at the date of his or her appointment;

**League** means the combination of Clubs known as The Scottish Professional Football League operated by the Company in accordance with the Rules;

**League Cup** means The Scottish Professional Football League Cup Competition owned and operated by the Company in accordance with the Rules and the League Cup Regulations;

**Limited Commercial Contract** means a Commercial Contract which will not generate Commercial Revenues from Radio Transmission, Transmission or Other Transmission and which the Company in General Meeting specifies shall be a Limited Commercial Contract when the Company determines by Commercial Resolution that the Company shall enter into same;

**Member** means a person who or which is the holder of a Share;

**Model Articles** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

**Net Commercial Revenues** means the Commercial Revenues referable to any one Season after any and all deductions, provisions and/or allowances shall have been made, provided and/or allowed for by the Board in accordance with Article 156;

**Office** means the registered office of the Company;

**Official** means any person having a function or duty or position involving authority or trust within a Club including, without prejudice to the foregoing generality, any person who is able to exercise control over the majority of the board or committee of any such Club (whether or not such a person is himself intimated to the Registrar of Companies as holding the office of director or is otherwise held out to be a member of the committee of management or equivalent of such a body if not incorporated);

**Ordinary Resolution** means a resolution of the Company at a General Meeting, which is not a special resolution, Qualified Resolution or Commercial Resolution, of which notice has been duly given in accordance with these Articles, and which requires the support of not less than each of: (i) 75% of the Members owning and operating Clubs entitled for the time being to participate in the Premiership; (ii) 75% of the Members owning and operating Clubs entitled for the time being to participate in the Championship; and (iii) 75% of the Members owning and operating Clubs entitled for



the time being to participate in League One and League Two, whether all the Members of the Company actually attend and vote or not, to be passed;

**Other Revenues** means any monies or revenues generated, earned, received, receivable or derived of whatever nature which are paid or payable to the Company and which are not Commercial Revenues;

**Parachute Payment** means a fee payment to be made in terms of these Articles in the event of a Club being relegated from the Premiership to the Championship;

**Player Regulations** means Regulations made from time to time by the Board to regulate the League Registration, transfer and Contracts of Service of Players;

**Pyramid Play-Off Parachute Payment** means a fee payment, in terms of these Articles, in the event of a Club being relegated from the League;

**Qualified Resolution** means, in relation to those Reserved Matters referred to in Article 62, a resolution of the Company at a General Meeting, of which notice has been duly given in accordance with these Articles, and which requires the support of not less than 90% of the Members owning and operating Clubs entitled for the time being to participate in the Premiership; 75% of the Members owning and operating Clubs entitled for the time being to participate in the Premiership and the Championship; and 75% of the Members owning and operating Clubs entitled for the time being to participate in the Premiership, the Championship, League One and League Two, whether all the Members of the Company actually attend and vote or not, to be passed;

**Regulations** means regulations made by the Board, in accordance with these Articles and the Rules, for the operation of the League Cup and any other Competition, other than the League, operated by the Company, the Player Regulations and such other regulations, which are not inconsistent with these Articles and the Rules, as the Board shall consider from time to time appropriate and/or in the interests of the Company and/or the League;

**Reserved Matters** means those matters relating to the Company's affairs which shall and may only be determined upon by Qualified Resolution, Commercial Resolution or Ordinary Resolution (as the case may be) and which are listed in Articles 62, 63 and 64;

**Retained Revenues** means all monies or revenues generated, earned, received, receivable or derived of whatever nature which are generated by, earned, received, derived, paid or payable to any Club which are not Commercial Revenues, including, without limitation, from friendly matches not played in the League or from matches in European competitions, all monies derived from shirt sponsorship, Club sponsorship, trackside advertising not pooled centrally for the Company, gate receipts and other receipts derived from home League Match fixtures;

**Rules** mean the Rules for the time being of the League;

**Salary Cap** means any agreement or rule that directly or indirectly restricts or limits in any way the discretion of a Club to determine the amount of money that it may spend, has spent, or commits to spend on player remuneration (whether in cash or in kind) and/or to acquire the 'image rights' of any player and/or on the Club's player trading operations, including, without limitation any rule or agreement directly or indirectly relating to a 'per-player' remuneration limit or an aggregate remuneration limit for the entire squad of each Club;

**Scottish Cup** means the Scottish Football Association Challenge Cup competition;

**Scottish FA** means The Scottish Football Association Limited a company incorporated and registered in Scotland (company number SC005453) and having its registered office at Hampden Park, Glasgow G42 9AY;

**Secretary** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**SFL** means the Scottish Football League a former unincorporated association of association football clubs which formerly operated the League Cup;

**Share** means a share of the Company and Share Capital and Shareholding shall be construed accordingly;

**Squad Cap** means any limitation, restriction, condition or quota which could have the effect directly or indirectly of limiting or restricting the number of Players which a Club may have Registered at the same time and/or the number of Players which a Club may have as the members of its First Team Squad at any time;

**Trustee** means the Secretary or, if no Secretary is appointed or the Secretary refuses or is unable to act, such other person as may be nominated by the Board who shall act as trustee for the Members as a whole;

**Under 21 Rule** means any agreement, rule or other provision that directly or indirectly restricts or limits in any way the discretion of a Club to determine the composition of the list of players provided in terms of Rule G16, or otherwise to play in a League Match, by requiring that a number or number of Players to be included in that list, or otherwise to play in a League Match, must qualify as an Under 21 Player or satisfy any other requirement based on the age of that Player; and

**United Kingdom** means Great Britain and Northern Ireland.

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

4. A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise.
5. Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
6. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
7. A "person" includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and in the case of a natural person that person's personal representatives and successors.
8. A reference to a "company" shall include any company, corporation or other body corporate, wherever and however incorporated or established.
9. Any words following the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
10. Where the context permits, "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them.
11. A reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts and subordinate legislation for the time being in force made under it provided that, no such amendment, extension or re-enactment made after the date of adoption of these Articles shall apply for the purposes of these Articles to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any Member.
12. Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the 2006 Act but excluding any statutory modification thereof not in force when these Articles or the relevant parts thereof are adopted.
13. Any capitalised word or phrase used in these Articles which is defined in the Rules and which is not defined in these Articles has the defined meaning ascribed to it in the Rules.
14. A reference to "writing" or "written" includes a communication in the form of writing and may be in electronic form or hard copy form.
15. For the purposes of these Articles the Board's determination that: (i) a Member has ceased to be the owner and operator of a Club; (ii) a Club owned and operated by a Member has ceased to participate in the League; (iii) a Member has taken, suffered or been subject to an Insolvency Event; and/or (iv) a Club owned and operated by a Member has ceased to be a member of the League, shall be conclusive, final and

binding on the Company and the Members and each of them in the absence of fraud or manifest error.

16. For the purposes of these Articles all references to a Member taking, suffering or being subject to an Insolvency Event, shall, if the Board so determines having regard to (i) the need to protect the integrity and continuity of the League; (ii) the reputation of the League; and (iii) the relationship between such owner and operator and the Group Undertaking concerned, also includes any Group Undertaking of such a Member taking, suffering or being subject to an Insolvency Event and such determination by the Board shall be conclusive, final and binding on the Company and the Members and each of them in the absence of fraud or manifest error.

#### **LIABILITY**

17. The liability of each Member is limited to the amount, if any, unpaid on the Share held by it.

#### **SHARE CAPITAL**

18. Except with the authority of a Qualified Resolution, the issued Share Capital of the Company shall not exceed £42 divided into 42 Shares of equal value.
19. A Share may only be issued, allotted, transferred to or held by a Trustee or a person who is the owner and operator of a Club.
20. No person shall be entitled to hold or have an interest in more than one Share and no Associate of a Member shall hold or have an interest in any other Share.
21. In accordance with Section 570 of the 2006 Act, Section 561(1) of the 2006 Act shall be excluded from applying to the Company.
22. No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
23. Except as required by law or as otherwise provided by these Articles, no person other than a Trustee is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.
24. A Trustee shall not be permitted, by virtue of his being the holder of a Share, to attend at or vote at a General Meeting, shall not be entitled to receive payment of any fee or dividend by or from the Company and the Share held by him shall be disregarded for all purposes in determining whether the required majority or number of votes for any purpose in terms of these Articles has been cast or achieved.

#### **SHARE CERTIFICATES**

25. The Company must issue each Member, free of charge, with a certificate in respect of the Share which that Member holds.
26. Every certificate must specify:
  - 26.1. the nominal value of the Share;
  - 26.2. that the Share is fully paid; and
  - 26.3. any distinguishing number assigned to the Share.
27. If more than one person holds a Share, only one certificate may be issued in respect of it.
28. Certificates must be executed in accordance with the Companies Acts and the Requirements of Writing (Scotland) Act 1995.
29. If a Share certificate in respect of a Member's Share is damaged or defaced or said to be lost, stolen or destroyed, the Member, subject to its signing or having signed on its behalf such undertaking as is considered appropriate in the circumstances by the Board, is entitled to be issued with a replacement certificate in respect of the same Share.
30. A Member exercising the right to be issued with such a replacement certificate:
  - 30.1. must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 30.2. must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Board decides.

#### **TRANSFER OF SHARES**

31. Subject to these Articles, Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor. The transferor remains the holder of a Share until the transferee's name is entered in the register of Members as holder of it.
32. If the Board shall determine that:
  - 32.1. a Member (other than a Trustee) shall have ceased to be the owner and operator of a Club;
  - 32.2. the Club owned and operated by a Member (other than a Trustee) shall have ceased for any reason to participate in the League;
  - 32.3. a Member has taken, suffered or been subject to an Insolvency Event;
  - 32.4. a Member shall hold more than one Share;

32.5. it is appropriate to transfer a Share from one Trustee to another Trustee;  
and/or

32.6. the Club owned and operated by a Member (other than a Trustee) shall  
have ceased for any reason to be a member of the League,

then such Member shall cease to be entitled to hold a Share and the Board may give  
notice by document to that Member requiring it to transfer its Share to a Trustee or,  
as the case may be, other Trustee;

33. Except where the transfer of a Share is:

33.1. occasioned, in accordance with the Rules, by the promotion of a Football  
club to the League and relegation of a Club from the League; or

33.2. made in accordance with a transfer pursuant to Articles 32 or 36,

the approval of the Board shall be required before the transfer of any Share shall be  
registered and the Board may, in its absolute discretion, refuse to approve the  
registration of the transfer of any such Share or attach any conditions to such approval  
as the Board may, in its absolute discretion, think appropriate.

34. The Board shall not approve the registration of the transfer of a Share for the purposes  
of Article 33 unless the Board shall first be satisfied that there exists no circumstance  
in which the Board shall, in terms of Article 35, refuse to approve the registration of  
the transfer of the Share.

35. Except in the case of a transfer of a Share to a Trustee, the Board shall refuse to  
approve the registration of the transfer of a Share:-

35.1. to a person who the Board is not satisfied is or, at the time that the transferee  
will be entered in the Company's Register of Members as the holder of the  
Share, will be the owner and operator of a Club;

35.2. unless the instrument of transfer is lodged at the Office or at such other place  
as the Board may appoint and is accompanied by the certificate for the Share  
to which it relates;

35.3. if the transferor and/or transferee shall fail to provide such evidence as the  
Board may require demonstrating to the satisfaction of the Board the  
respective rights of the transferor to make the transfer and the transferee to  
become a Member;

35.4. if the instrument of such transfer is in respect of more than one Share; and/or

35.5. if the transferee or an Associate of the transferee shall own or have an  
interest in any other Share.

36. If a Member:

- 36.1. shall cease to be entitled to hold a Share;
- 36.2. shall take, suffer or be subject to an Insolvency Event; and/or
- 36.3. is a Trustee which has had a Share transferred to it pursuant to an earlier transfer in accordance with this Article 36,

then that Member or its manager, interim manager, receiver, administrative receiver, judicial factor, administrator, provisional liquidator, interim liquidator, liquidator or the equivalent in office or any other person entitled to the Share shall on receiving notice in writing from the Secretary following the Board determining that such notice should be issued by the Board and giving the identity of the proposed transferee, transfer the Share held by it or any of them to such transferee at the price of £1 and the Club owned and operated by such Member (if any) and if still a member of the League shall, on the giving of such notice, cease to be a member of the League and the Club owned and operated by the transferee shall on the transfer of the Share being registered become a member of the League on such date, on such conditions and participating g in such Division as the Board may in its absolute discretion think appropriate.

37. The Board shall be entitled, at any time following the final League fixture in any Season, to require a Member to transfer its Share, at a price of £1, upon the Club owned and operated by that Member ceasing to be entitled to participate in the League as a result of its relegation from the League.
38. As and from the date of a Member being required, in terms of these Articles to transfer its Share or its Share being transferred it shall, save in relation to Article 39, have no rights in relation to such Share and shall cease to be entitled to be and remain the holder of such Share.
39. Subject to these Articles and the Rules, the transfer by a Member of a Share shall not of itself prejudice any accrued entitlement of such Member to receive any sum from the Company in accordance with these Articles and the Rules.
40. Whenever a requirement to transfer a Share shall arise, if the relevant Member shall fail to transfer its Share within three (3) days of notice having been given of the requirement to so transfer, the Board may authorise any Director to execute a transfer thereof and a transfer so executed shall be valid and effective as if the same had been executed by the Member concerned and the transferee shall on payment of the sum of £1 to the Secretary, to be held in trust for the transferor, be entered in the register of Members as the holder of such Share.
41. Save as provided in Article 30.2, no fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any Share.
42. If the Board refuse to approve the registration of the transfer of a Share, the Board shall after such refusal send to the transferor and transferee notice of the refusal setting out the reason(s) for such refusal.

43. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer for which registration is refused shall be returned to the person lodging it when notice of the refusal is given.

#### **ALTERATION OF SHARE CAPITAL**

44. The Company may by Qualified Resolution cancel Shares which, at the date of the passing of the Qualified Resolution, have not been taken or agreed to be taken by the owner and operator of a Club and diminish the amount of its Share capital by the amount of the Shares so cancelled.
45. Subject to the provisions of the 2006 Act and these Articles, the Company may by Qualified Resolution reduce its Share capital, any capital redemption reserve and any Share premium account.

#### **GENERAL MEETINGS**

46. The Board shall be entitled to call General Meetings and shall normally convene General Meetings on four occasions during each Season on dates to be fixed by the Board. Additionally on the requisition of any three (3) Members, the Board shall as soon as reasonably practicable proceed to convene a General Meeting of the Members for a date not less than thirty five (35) days after receipt of the requisition.
47. The Board shall normally convene the Annual General Meeting during the Close Season.
48. The provisions of Articles 46 and 47, 49 to 60 (inclusive), 67 to 73 (inclusive) and of Articles 75 to 84 (inclusive) may be supplemented by provisions of the Rules from time to time for the purposes of the regulation of the procedure at meetings of the Members.

#### **NOTICE OF GENERAL MEETINGS**

49. The Annual General Meeting or a General Meeting shall be called by at least fourteen (14) clear days' notice save for a meeting called by shorter notice if it is so agreed by a majority in number of the Members having a right to attend and vote being a majority together holding not less than 90% in nominal value of the issued Shares giving that right.
50. A notice of a General Meeting shall specify the time and place of the General Meeting, the general nature of the business to be transacted and shall include a statement that a Member entitled to attend and vote is entitled to appoint one proxy to attend and vote instead of that Member and that a proxy need not also be a Member and in the case of an Annual General Meeting, shall specify the meeting as such.
51. Subject to the provisions of these Articles and to any restrictions imposed on any Shares, notice of all General Meetings shall be given to all of the Members, to all persons entitled to a Share in consequence of the insolvency of a Member, to all



Directors and the Alternate Director and to the auditors, all for the time being, of the Company.

52. Without prejudice to the provisions of Article 54, every Member shall attend (whether in person, by proxy or by duly authorised representative in accordance with these Articles) at every General Meeting.
53. The accidental omission to give notice of a General Meeting to or the non-receipt of notice of a General Meeting by, any Member or person entitled to receive notice, shall not invalidate the proceedings at that General Meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

54. No business shall be transacted at any General Meeting unless a quorum is present at the time when the General Meeting proceeds to business.
55. Save as otherwise provided in these Articles, eight in number of the Members who are entitled to be present and vote, who are present by a duly authorised representative or by proxy shall be the quorum for a General Meeting for all purposes. In determining attendance at a General Meeting, it is immaterial whether any eight or more Members attending it are in the same place as each other at the same time. Eight or more persons who are not in the same place as each other attend a General Meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them. The Board and the Members may make whatever arrangements it/they consider appropriate, including by any means of electronic communication which permits Members who are not personally present by a representative to hear what is said by others represented and/or personally present at a General Meeting, whether personally or by electronic means, and to enable those represented at a General Meeting by electronic means to exercise their rights to speak or vote at such meeting.
56. If such a quorum is not present within half an hour from the time appointed for the General Meeting, or if during a meeting such a quorum ceases to be present, or if a quorum attends a General Meeting at which a Qualified Resolution is to be considered but the Members comprising such quorum are insufficient in number validly to pass the Qualified Resolution, the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine and at such adjourned meeting those persons present shall be deemed to form a quorum notwithstanding the provisions of Article 55.
57. The provisions of Article 56 shall not, in any way, reduce or alter the majority required to pass a resolution in terms of these Articles.
58. The Chairman shall preside as the chairman of every General Meeting. If the Chairman is unable or not willing to act as chairman, the Members present shall choose one of their representatives to be chairman for the meeting unless or until the Chairman shall be present and, in a position, and willing to preside at the meeting.

59. A Director and the Alternate Director shall, notwithstanding that he or she is not a Member, representing a Member or the proxy of a Member, be entitled to attend and speak at any General Meeting. The Chairman of the meeting may permit other persons who are not Members of the Company or otherwise entitled to exercise the rights of Members in relation to General Meetings, to attend and speak at a General Meeting.
60. The Chairman may, with the consent of a General Meeting and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place. Whenever a General Meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, no person shall be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned General Meeting. No business shall be transacted at an adjourned General Meeting other than business that might properly have been transacted at the original meeting had the adjournment not taken place.
61. Except where the 2006 Act specifies that a particular resolution of the Company requires otherwise or as otherwise provided in these Articles, not less than 75% of the Members owning and operating Clubs entitled for the time being to participate in the Premiership; 75% of the Members owning and operating Clubs entitled for the time being to participate in the Championship; and 75% of the Members owning and operating Clubs entitled for the time being to participate in League One and League Two, whether all the Members of the Company actually attend and vote or not, shall be required, except where these Articles provide otherwise, for the passing of all Ordinary Resolutions of the Company and for the giving of all consents, approvals or the like considered at a General Meeting.
- 61.1 Subject to Article 61.2, where an Ordinary Resolution before a General Meeting, including a resolution proposing an amendment to a provision of the Rules, is not a special resolution, Qualified Resolution or a Commercial Resolution and it exclusively relates to or concerns a matter which is relevant to only one or as the case may be, more specific Divisions, of which the Chairman failing whom the chairman of the relevant meeting, shall be the sole judge, not less than 75% of the Members owning and operating Clubs entitled for the time being to participate in each of the relevant Division or as the case may be, Divisions, whether all of the relevant Members of the Company actually attend and vote or not, shall be required for the passing of the resolution.
- 61.2 Notwithstanding the other provisions of these Articles only the Members owning and operating Clubs for the time being entitled in terms of the Rules to participate in the Premiership shall be entitled to vote on Ordinary Resolutions concerning or relating to any Premiership/Championship Play-Off Competition, including on and in respect of any resolution proposing any change to the Rules concerning or relating to any Premiership/Championship Play-Off Competition.
62. A Qualified Resolution, shall be required for the passing of a resolution in respect of the following Reserved Matters:-

- 62.1. the expulsion of a Club from the League;
  - 62.2. the passing of a resolution to wind-up the Company or to approve the presentation by the Company and/or its Directors and Alternate Director, in the case of an Alternate Director only when acting for the L1 & L2 Director in his or her absence, to the Court of a Petition to wind-up the Company;
  - 62.3. any alteration to the authorised or issued share capital of the Company (other than as a result of the transfer of any Share in the Company made in accordance with these Articles);
  - 62.4. any alteration, variation or modification of these Articles, Rules C1, C2, C3, C42, C43, G16 and/or Section I (whole) of the Rules and/or any other part of the Rules the alteration, variation or modification of which would have the effect of altering, varying or modifying a provision or provisions in Rules C1, C2, C3, C42, C43, G16 and/or Section I (whole) of the Rules and/or of these Articles and/or the adoption of a new, substitute or different Rules C1, C2, C3, C42, C43, G16 and/or Section I (whole) of the Rules and/or of these Articles;
  - 62.5. any expansion of the League by the addition or admission of new members (other than as a result of the operation of the Rules governing promotion and relegation to and from the League);
  - 62.6. any alteration in the number of members of the League (other than as a result of a member ceasing to be a member of the League in accordance with the Rules and/or these Articles); and
  - 62.7. the issue and/or allotment of a Share.
63. A Commercial Resolution, shall be required for the passing of a resolution in respect of the following Reserved Matters:-
- 63.1. the approval of the entering into by the Company of a Commercial Contract; and
  - 63.2. the approval of the entering into by the Company of a Limited Commercial Contract.
64. An Ordinary Resolution, shall be required for the passing of a resolution in respect of the following Reserved Matters:-
- 64.1. any alteration, variation or modification of the Rules, except for Rules C1, C2, C3, C42, C43, G16 and/or Section I (whole) and/or any other part of the Rules the alteration, variation or modification of which would have the effect of altering, varying or modifying a provision or provisions in Rules C1, C2, C3, C42, C43, G16 and/or Section I (whole) of the Rules or the adoption of a new, substitute or different Rules C1, C2, C3, C42, C43, G16 and/or Section I (whole) of the Rules;

- 64.2. any matter not provided for in Articles 62, 63 and in this Article 64 which in terms of these Articles or the Rules requires to be determined by the Company in General Meeting; and
  - 64.3. such other matter as the Company in General Meeting may from time to time determine to be a Reserved Matter.
65. A Qualified Resolution, Commercial Resolution or Ordinary Resolution to be proposed at a General Meeting may be amended by a vote in favour by the majority of the Members present at the General Meeting (whether in person, by proxy or by duly authorised representative in accordance with these Articles) and entitled to vote on the Resolution if:
- 65.1. notice of the proposed amendment is given to the Company by the Board or a Member entitled to vote on the Resolution at or before the General Meeting at which it is to be proposed and prior to the vote on the Resolution; and
  - 65.2. the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.
66. A special resolution to be proposed at a General Meeting may be amended by a vote in favour of the majority of the Members present at the General Meeting (whether in person, by proxy or by duly authorised representative in accordance with these Articles) if:
- 66.1. the Chairman of the meeting proposes the amendment at the General Meeting at which the resolution is to be proposed; and
  - 66.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
67. If the Chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.
68. A resolution put to the vote of a General Meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded.
69. Subject to the provisions of the 2006 Act, a poll may be demanded by:-
- 69.1. the Chairman;
  - 69.2. the Board; or
  - 69.3. at least two Members having the right to vote on the resolution,

and a demand by a person as proxy for a Member shall be the same as a demand by the Member. A poll must be taken immediately and in such manner as the Chairman of the meeting directs.

70. Unless a poll is duly demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the General Meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
71. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
72. A poll shall be taken as the Chairman directs and he may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the General Meeting at which the poll was demanded.
73. A poll demanded on any question shall be taken forthwith. The demand for a poll shall not prevent the continuance of a General Meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the General Meeting shall continue as if the demand had not been made. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the General Meeting at which it is demanded. In any other case at least seven (7) clear days' notice shall be given specifying the time and place at which the poll is to be taken.

#### **WRITTEN RESOLUTIONS**

74. A resolution of the Members or as the case may be the eligible Members (as defined in section 289(1) of the 2006 Act), as provided for in these Articles, may be passed as a written resolution in accordance with Chapter 2 of Part 13 of the 2006 Act by such number of Members as may be equal to or greater than the number of Members required for a Qualified Resolution, Commercial Resolution, Ordinary Resolution or special resolution (as the case may be) to be passed and shall be as valid and effective as if it had been passed at a General Meeting duly convened and held. A proposed written resolution lapses if it is not passed by the requisite majority of such eligible Members before the end of the period of 28 days beginning with the circulation date (as defined in section 290 of the 2006 Act).

#### **VOTES OF MEMBERS**

75. Subject to any rights or restrictions attached to any Share and Article 24, every Member present whether in person or by a representative or proxy shall have one vote whether on a show of hands or on a poll. The Chairman shall not have a second or casting vote.

76. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is tendered, and every vote not disallowed at the General Meeting shall be valid. Any objection made in due time shall be referred to the Chairman whose decision on the validity of same shall be final and conclusive.
77. Any corporation which is a Member of the Company may (pursuant to Section 323 of the 2006 Act), by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any General Meeting of the Company and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member.
78. Proxies may only validly be appointed by a document which:
  - 78.1. states the name and address of the Member appointing the proxy;
  - 78.2. identifies the person appointed to be that Member's proxy and the General Meeting in relation to which that person is appointed;
  - 78.3. is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Board may determine; and
  - 78.4. is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the General meeting to which they relate.
79. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions. Unless a proxy notice indicates otherwise, it must be treated as allowing the person appointed under it as a proxy discretion as to how to vote on ancillary or procedural resolutions put to the meeting, and appointing that person as a proxy in relation to any adjournment of the General Meeting to which it relates as well as the meeting itself.
80. The instrument appointing a proxy and any authority under which it is executed may be deposited at the Office or with the Secretary and/or received by the Secretary at any time before the time of the General Meeting for which the proxy is to be used. The Board may treat a facsimile transmission or other electronic copy of an instrument appointing a proxy as a proxy for the purposes of this Article. Any instrument of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.
81. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a General Meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
82. An appointment under a proxy notice may be revoked by delivering to the Secretary a notice in writing given by or on behalf of the person by whom or on whose behalf the

proxy notice was given. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

83. The Chairman may in his discretion permit the appointment of a proxy other than as provided herein if circumstances arise which prevent a Member attending or being represented at a General Meeting.
84. A vote given or poll demanded by proxy or by the duly authorised representative of a Member shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll unless notice of such termination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the General Meeting or adjourned General Meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the General Meeting or adjourned General Meeting) the time appointed for taking the poll.

## **DIRECTORS**

85. The minimum number of Directors shall be two.
86. The Board shall comprise:-
  - 86.1. a Chairman;
  - 86.2. a Chief Executive;
  - 86.3. a Non-Executive Director;
  - 86.4. three Directors appointed by Members owning and operating Clubs entitled for the time being to be the participants in the Premiership;
  - 86.5. two Directors appointed by Members owning and operating Clubs entitled for the time being to be the participants in the Championship; and
  - 86.6. the L1&L2 Director; and
  - 86.7. subject to Article 90.10, one Alternate Director.
87. The Chairman, the Non-Executive Director and the Chief Executive may not be a director, other office holder or employee of any Member nor an official or employee of any club (as defined in articles of association of the Scottish FA) without the prior consent of the Company by Ordinary Resolution.
88. The Chairman and his or her Associates, the Non-Executive Director and his or her Associates and the Chief Executive and his or her Associates shall not be permitted to hold any share or shares or have or hold any other interest in any Member nor any club (as defined in article 1 of the articles of association of the Scottish FA), without the prior consent of the Company by Ordinary Resolution.

89. The Chairman, Non-Executive Director and Chief Executive shall be appointed to each of their respective offices and as Directors by and may be removed from each such office, and any Director or Alternate Director may be removed from any employment by the Company and/or by any of its subsidiary companies and/or, as a director, of any subsidiary company of the Company, in each case, by a simple majority vote of the Directors and, if acting for an absent L1&L2 Director, the Alternate Director.

#### **ALTERNATE DIRECTORS**

90. Alternate Directors:

- 90.1. There shall, in addition to the Directors, be one Alternate Director for the time being appointed to such office, as provided in this Article 90, by the Members owning and operating Clubs, in any Season, entitled to participate in either League One or League Two, depending on which of those is, for the time being, the Division in which is entitled to participate the Club of the Member of which the person appointed as L1&L2 Director is: (i) a director; or (ii) in the case of a Member which is not a limited company, the owner and operator of a Club, a partner in a partnership which owns and operates a Club or a member of the committee of management or equivalent of an unincorporated association which is the owner and operator of a Club.
- 90.2. Such Alternate Director must, for the time being, be: (i) a director of a Member; or (ii) in the case of a Member which is not a limited company, to be the owner and operator of a Club, a partner in a partnership which owns and operates a Club or a member of the committee of management or equivalent of an unincorporated association which is the owner and operator of a Club, for the time being, entitled to participate in the other Division of League One and League Two than the Division in which the Club owned and operated by the Member of which the L1 & L2 Director is a director or, in the case of a Member which is not incorporated, a member of the board of management or equivalent body, of such Member.
- 90.3. An Alternate Director shall be entitled to: (i) receive notice of all meetings of Directors and of all meetings of Committees of which the L1&L2 Director's appointment includes for him to attend; (ii) to attend as an observer and to speak at all such meetings in respect of which he or she is entitled to receive notice; (iii) to vote, as if he or she were the L1&L2 Director in at such meetings, of which the L1 & L2 Director is entitled to receive notice and vote and at which the L1 & L2 Director is absent, whether in person or by electronic means; and (iv) generally to perform the functions of the L1&L2 Director in his or her absence.
- 90.4. In the event that an Alternate Director shall be personally appointed to a Committee, Sub-Committee or other body of the Company he or she shall be entitled to receive notice of all meetings of such body and to attend at, speak and vote, providing he or she is not solely present, along with the L1 & L2 Director, in discharge of his or her duties as Alternate Director, at such



meetings and generally to perform all of the functions for the time being of the members of such a Committee by these Articles and/or the Board.

- 90.5. In the event that an Alternate Director shall be personally appointed to a Committee or other body of the Company and the L1 & L2 Director is also appointed to the same Committee or other body and the L1&L2 Director is not present, whether in person or by electronic means, the Alternate Director shall not, in such circumstances be entitled to vote as performing the functions of the Alternate Director but shall be entitled to vote pursuant to his or her personal appointment.
- 90.6. Any removal of an Alternate Director, for the time being, from his or her office, other than by the expiry of the term of his or her appointment, shall be by notice signed by the Chairman, whom failing the Chief Executive or Secretary: (i) following a decision taken by the Board revoking his or her appointment; or (ii) in terms of these Articles.
- 90.7. In the event that during the period of his or her appointment as Alternate Director the office of L1&L2 Director shall become vacant for any reason the Alternate Director shall, unless determined otherwise by the Board, fulfil all of the roles and functions of L1&L2 Director up to the date of the next General Meeting at which there shall, unless the meeting is the Annual General Meeting, be an election for appointment of the L1&L2 Director for the remainder, if any, of the term of appointment of the L1&L2 Director.
- 90.8. Unless himself appointed as the L1&L2 Director at such General Meeting in terms of Article 90.7, or if the person appointed as L1&L2 Director at that meeting is: (i) a director of a Member; or (ii) in the case of a Member which is not a limited company, the owner and operator of a Club, a partner in a partnership which owns and operates a Club or a member of the committee of management or equivalent of an unincorporated association which is the owner and operator of a Club, for the time being entitled to participate in a different Division as the Club of the Member of which he or she is a director or such equivalent, then the person holding the appointment as Alternate Director for the time being, shall continue in and hold that office in accordance with these Articles until the next Annual General Meeting or the otherwise termination of his or her appointment as Alternate Director.
- 90.9. In the event that at the General Meeting provided for in Articles 90.7 and 90.8, at which there shall be an election for appointment of a L1&L2 Director and the Alternate Director shall himself be appointed as the L1&L2 Director at that meeting or, if the person appointed as L1&L2 Director at that meeting is: (i) a director of a Member; or (ii) in the case of a Member which is not a limited company, the owner and operator of a Club, a partner in a partnership which owns and operates a Club or a member of the committee of management or equivalent of an unincorporated association which is the owner and operator of a Club, in each case for the time being entitled to participate in the same Division as the Club of the Member of which the

Alternate Director is a director etc., then the person holding the appointment as Alternate Director shall forthwith cease to hold office as Alternate Director and the Board shall forthwith, if possible at the same General Meeting if there are any candidates in terms of Articles 92 and/or 93, hold an election for appointment of an Alternate Director, failing which such vacancy shall be filled at the next General Meeting.

- 90.10. The person holding office, for the time being, as Alternate Director shall, except as provided for in these Articles, enjoy all of the rights and benefits of and be subject to all of the duties and obligations of Directorship, subject that he or she shall not be entitled to vote: (a) at meetings of the Board; (b) where the Board votes so as to determine a matter without any or any number of them having met together, either in person or by means of electronic communication where those attending can express their views and votes orally, e.g. by conference call or Skype or similar or equivalent; (c) where Directors express their vote on a matter only by email, messaging or similar means of electronic or other written means of communication; and (d) subject to Articles 90.4 and 90.5, at or in respect of a Committee, all unless, he or she does so when acting in place of the L1&L2 Director in his or her absence.
- 90.11. Where in the case of any decision of the Board or of, subject to Articles 92.4 and 92.5, a Committee, where the L1&L2 Director votes on such decision any vote attempted or purported to be cast by the Alternate Director shall be disregarded and shall not be taken account of in ascertaining the relevant decision of the Board or Committee.
- 90.12. An Alternate Director shall not be or be deemed to be an agent of an L1&L2 Director for any purpose.
- 90.13. In all circumstances an Alternate Director shall alone be responsible for his or her own acts and defaults.

#### **TERM AND NOMINATION FOR APPOINTMENT OF DIRECTORS AND ALTERNATE DIRECTORS**

91. The six Directors provided for in Articles 86.4, 86.5 and 86.6 and the Alternate Director provided for in Article 86.7, shall retire from office at every Annual General Meeting but shall, subject in the case of the Alternate Director to Articles 92 and 93, be eligible for re-appointment. In the event that a vacancy arises in an office of Director or the Alternate Director between Annual General Meetings such vacancy shall be filled at the next General Meeting.
92. No person shall be appointed or re-appointed as a Director at a General Meeting unless not less than fourteen (14) days before the date appointed for that General Meeting, a notice executed by a Member entitled in terms of Articles 86.4, 86.5 or 86.6 to participate in making the relevant appointment or appointments has been given to the Company of the intention to propose that person for appointment or re-appointment as a Director.

93. In the case of the appointment or re-appointment of an Alternate Director it may not be possible or wholly effective in terms of maximising the opportunities for candidates to be brought forward as nominees to require notice thereof to be given not less than 14 days before the relevant General Meeting and, in such circumstances, the Chairman, whom failing the Chief Executive, may shorten or extend the period prior to the relevant General Meeting in which persons may be nominated in writing to the office of Alternate Director including, if considered fairest to candidates and potential candidates and in the interests of the Company, by allowing nominations of candidates for the office of Alternate Director to be made in writing at the relevant General Meeting, after the appointment of a L1&L2 Director, including of candidates for and who were nominated but unsuccessful in being appointed as L1&L2 Director at the same General Meeting. Always subject that any/each such nominated candidate must meet the qualifications for such position set out herein. Sufficiently in advance of the relevant General Meeting, the Secretary shall give written notice to all Clubs which may participate in the appointment of an Alternate Director of the period during which such written nominations may be made. In terms of this Article 93, such period of written notice may be extended by the Chairman, whom failing the Chief Executive, at any time up to and including the date of the relevant General Meeting, including to a specified event/time on the day of the relevant General Meeting.
94. Where, at a General Meeting, an appointment is to be made to the office of L1&L2 Director and there is or may, at that meeting, be or become a vacancy in the office of Alternate Director by reason of the Alternate Director for the time being appointed as L1&L2 Director and the Board has, prior to such meeting, sought nominations to the putative office of Alternate Director on the basis that if a vacancy in the office of Alternate Director shall arise then nominations should be sought, then the persons so nominated, subject to their each meeting the qualifications for such position set out herein, shall be candidates for election to the position of Alternate Director along with such of the unsuccessful candidates for election to the position of L1&L2 Director as wish to be considered to be appointed to the office of Alternate Director and who are: (i) directors; or (ii) in the case of a Member which is not incorporated, members of the board of management or equivalent body, of a Member, which is the owner and operator of a Club entitled to participate in the other Division as the Club owned and operated by the Member of which the person appointed as L1 & L2 Director is a director or member of the Board of Management or equivalent shall be the candidates, if any, for appointment as Alternate Director for the period proscribed in these Articles.
95. In respect of the General Meeting scheduled for 20 January 2020 or at any other date for such or other General Meeting, at which a Special Resolution will be/is considered to create the position of Alternate Director, the Board may, prior to such meeting, have sought nomination of candidates to the putative office of Alternate Director on the basis that if such resolution shall be approved by the Members and the persons so nominated, subject to their each meeting the qualifications for such position set out in the Articles as amended, shall be the candidates for election to the position of Alternate Director, the election for which shall take place at the same General Meeting as that at which said resolution shall be approved and all steps or measures taken by

the Board to invite such candidates to be nominated are hereby retrospectively approved.

96. The person so appointed as Alternate Director in terms of Article 95, shall, subject to the whole provisions of these Articles, be the Alternate Director until the Annual General Meeting to be held in July 2020 or such other date as such Annual General Meeting may be determined to take place or postponed to.

#### **FIT AND PROPER PERSON QUALIFICATION**

97. Subject to these Articles, only a person who is fit and proper to hold such office may be appointed and hold office as a Director or Alternate Director.

98. A person shall be deemed not to be fit and proper to be appointed and hold office as a Director or Alternate Director if: -

98.1. he or she (i) is or has been sequestered and has not been discharged; and/or (ii) makes or has made or enters or has entered into and has not been discharged or released from any trust deed, arrangement or composition with his or her creditors;

98.2. he or she is or becomes of unsound mind and has been or is to be admitted to hospital as suffering from a mental disorder following an application for compulsory admission for treatment;

98.3. a Court having jurisdiction in the United Kingdom or elsewhere has ordered in matters relating to mental disorder, his or her current compulsory detention;

98.4. by reason of mental disorder or deficiency or other incapacity there has been and remains the appointment of a person has to exercise power and control with regard to his or her property and/or affairs or any part thereof;

98.5. by reason of any lack or impairment of mental capacity or faculties he or she has had a person appointed to him to manage his or her property and/or financial affairs or any part thereof and/or his or her personal affairs and living arrangements and/or health, medical arrangements and/or medication;

98.6. he or she is under or is pending suspension or expulsion from football, imposed or confirmed by the Scottish FA;

98.7. he or she is or has been convicted of any offence, not being a minor (to be determined by the Board) road traffic offence;

98.8. in respect of the Directors and the Alternate Director, excluding the Chairman, Non-Executive Director and Chief Executive, he or she is listed in the Official Return of more than one club in full, registered or associate membership of the Scottish FA;

- 98.9. in respect of the Chairman, Non-Executive Director or Chief Executive, an appointee or prospective appointee is or should be listed in the Official Return of any club in full, registered or associate membership of the Scottish FA;
- 98.10. in respect of the Directors and the Alternate Director, excluding the Chairman, Non-Executive Director and Chief Executive, an appointee is not or ceases during his or her office as Director or Alternate Director (i) to be a director of a Member which is the owner and operator of a Club entitled, for the duration of his/her appointment to participate in the requisite Division of Clubs which appointed him or her to his or her office; or (ii) in the case of a Member which is not a limited company, to be the owner and operator of a Club, a partner in a partnership which owns and operates a Club or a member of the committee of management or equivalent of an unincorporated association which is the owner and operator of a Club in the requisite Division in which such Club is entitled to participate; or
- 98.11. he or she is participating as a player or referee in organised association football.

#### **PROCEDURE FOR THE APPOINTMENT OF DIRECTORS AND ALTERNATE DIRECTORS**

99. The procedure for the appointment of Directors and the Alternate Director, provided for in Articles 86.4, 86.5, 86.6 and 91 at a General Meeting shall be as follows: -
- 99.1. where at any General Meeting there is a vacancy or vacancies in the office of Director and/or Alternate Director and two or more candidates for such vacancies have been proposed for appointment to such office(s) each Member entitled in terms of Articles 86.4, 86.5 and 86.6 to participate in making the relevant appointment or appointments, shall have the same number of votes, except at the stage of voting in turn described at Article 99.6, when each participating Member shall have one vote for the relevant candidate during each 'in turn' vote, in the appointment process as there are vacancies for appointment remaining to be filled by such Members;
- 99.2. voting by the Members entitled to vote in making the relevant appointment or appointments, shall take place in rounds or, as described in Article 99.6, 'in turn' until all of the vacancies available to be filled by such Members have been filled or there are no remaining candidates who have not already been appointed or excluded in the appointment procedure, to be appointed to the remaining vacancies;
- 99.3. a candidate shall be appointed as Director or Alternate Director in the event that he or she receives, in any round or 'turn' of voting, votes totalling 66% or more of the total number of Members entitled to vote in making the relevant appointment or appointments;
- 99.4. if, after any round of voting, once any appointment(s) is/are made or no appointment(s) is/are made, and a vacancy or vacancies remain to be

appointed to and there remain candidates for appointment who have not been excluded in earlier rounds of voting, then the candidate with the lowest number of votes in that round shall, subject to Article 100 not take part in any further rounds of voting, shall be excluded from further participation in the appointment process and the remaining not-appointed or excluded candidate(s) shall, subject to Article 99.6, take part in a further round or rounds of voting;

- 99.5. subject to Article 99.6, for so long as there shall remain candidates who have not been appointed or excluded and there are vacancies/is a vacancy remaining to be appointed to, the procedure set out at Articles 99.1 to 99.4 (inclusive) shall continue to be operated;
- 99.6. in the event that following any round of voting there are the same number of vacancies remaining to be appointed to, as there are remaining candidates who have not already been appointed and who have not previously been excluded from the procedure or, if there is only one remaining candidate who has not previously been appointed and who has not previously been excluded from the procedure, then each such remaining candidate or such only remaining candidate, shall be voted on individually for appointment, 'in turn'. In the case of two or more such candidates, starting with the candidate who achieved the most votes in the immediately preceding round of voting and thereafter proceeding in terms of Article 99.7 and, if necessary, Article 100. If, during such voting on in turn, a candidate achieves votes totalling 66% or more of the number of Members entitled to vote in making the relevant appointment or appointments then such candidate shall be appointed. If any candidate shall not, during 'the voting on in turn', achieve positive votes in favour of appointment, totalling 66% or more of the number of Members entitled to vote in making the relevant appointment or appointments, such candidate shall, subject to any re-vote(s) required by the Chairman in terms of Article 100, be excluded from further participation in the appointment process;
- 99.7. in the event that an equality of votes exists in any round between two or more candidates and, for any reason, a decision requires to be made between those candidates, then the candidate or, as the case may be, candidates having the greater number of votes in the immediately preceding round or in the event of continuing equality earlier rounds, counting back in turn from the immediately preceding round, shall be appointed or, as the case may be, shall take part in any further rounds or 'turns' of voting; and
- 99.8. a Member, in each round or 'turn' of voting in which it is entitled to participate: (i) shall not be entitled to cast more than one vote for any one candidate in any round of voting; (ii) may cast one vote only (either for or against a candidate being appointed to a vacancy) in each 'turn of voting' for the purposes of Article 99.6 ; and (iii) is not permitted to cast its votes for more than the number of vacancies available to be filled in each round of voting for the purposes of Article 99.2.

100. Where at any General Meeting there remains any vacancy or vacancies in the office of Director (other than the Chairman, the Chief Executive and the Non-Executive Director) or Alternate Director and no candidate or candidates has received votes totalling 66% or more of the total number of Members entitled to vote in making the relevant appointment or appointments, then, after such number of re-votes as the Chairman shall, in his or her sole discretion, consider appropriate to identify if any candidate who has not so far been appointed in earlier rounds or 'turns' of voting, including, at the discretion of the Chairman, such candidates that have been excluded in earlier rounds of voting, is able to achieve votes totalling 66% or more of the number of Members entitled to vote in making the relevant appointment or appointments, the vacancy or vacancies shall remain unfilled and it shall be open to Members entitled in terms of Articles 86.4, 86.5 and 86.6 to participate in making the relevant appointment or appointments to propose candidates for appointment, in accordance with Articles 97 and 98, to such vacancy or vacancies at the next General Meeting.
101. The terms and conditions relating to the employment and appointment or re-appointment of the Chief Executive shall be determined by the Board and shall be contained in the Chief Executive's service contract.

#### **POWERS OF THE BOARD**

102. Subject to these Articles, the Board is responsible for the management of the Company's business, for which purpose it may exercise all the powers of the Company.
103. The Board shall, subject to Article 104:-
  - 103.1. take such executive steps as it considers necessary to manage the affairs of the Company;
  - 103.2. subject to these Articles and the Rules, exercise all powers of the Company;
  - 103.3. exercise all the powers of the Company to borrow or raise money and to mortgage or charge its assets and to issue debenture stock and other debt securities as security for any debt, liability or obligation of the Company or of any third party;
  - 103.4. exercise all the powers and discharge all the functions of the Board provided for in these Articles and in the Rules and the Regulations;
  - 103.5. manage and the operate of the League in accordance with these Articles and the Rules;
  - 103.6. manage and the operate the League Cup and any other Competition operated by the Company in accordance with these Articles, and in the Rules and the Regulations;
  - 103.7. from time to time make, amend and revoke Regulations for the operation and commercial exploitation of the League Cup and any other Competition operated by the Company;

- 103.8. from time to time make, amend and revoke the Player Regulations;
  - 103.9. in relation to the operation of the League, the League Cup and any other Competition operated by the Company, be entitled to make such arrangements, adopt such procedures and make such determinations as it considers appropriate in circumstances where the Rules or Regulations, as the case may be, do not direct or provide for the manner in which the League, League Cup or other Competition operated by the Company should proceed or be operated;
  - 103.10. make, on behalf of the Company, appointments to offices, committees, boards, and the like and representatives of the Company within and to third party organisations, including, without prejudice to the foregoing generality, to the Congress of the Scottish FA and to the Scottish FA Professional Game Board;
  - 103.11. determine whether to employ or terminate the employment of all employees of the Company and determine the terms and conditions on which such employees are to be employed and any variation to such terms and conditions and the terms, if any, on which the employment of such employees shall terminate or has been terminated;
  - 103.12. from time to time make, amend and revoke Rules of Procedure; and
  - 103.13. make such recommendations to the Members on such matters as it considers appropriate.
104. The Board shall not:-
- 100.1 determine a Reserved Matter without the prior approval of the required percentage(s) of the relevant Members in General Meeting; and
  - 100.2 by Regulation or any other arrangement, procedure, determination or otherwise, make or purport to make any provision which would have the effect directly or indirectly of introducing or providing for (a) a limit, restriction or composition or quota of the squad of Players of any Club eligible, entitled or permitted to Play in any one or more League Matches in any Season based on a Homegrown Players Rule or any like or similar concept or criteria or otherwise; (b) Salary Cap or any like or similar concept or criteria or otherwise; (c) Squad Cap or any like or similar concept or criteria or otherwise; and/or (d) Under 21 Rule or any like or similar concept or criteria or otherwise
105. Any alteration of the Articles shall not invalidate any prior act of the Board which would have been valid if that alteration had not been made. The powers given by this Article shall not be limited by any special power given to the Board by the Articles

**DELEGATION OF THE BOARD'S POWERS**



106. Subject to these Articles, the Board may from time to time delegate to a Director, Alternate Director, Secretary or a committee comprising Directors, Alternate Director and/or persons co-opted thereto (in the case of delegation to more than one person a “**Committee**”), such of its powers as the Board consider desirable to be exercised by him, her, it or them. If the Board so specifies, any such delegation may authorise further delegation of the Boards’ powers by any person, Committee or Sub-Committee to whom/which they are delegated. The Board may at any time revoke any delegation made by it in whole or part, and/or alter its terms and conditions.
107. The Board shall appoint and maintain an Audit Committee and a Remuneration and Appointments Committee. The Board shall appoint and may, at any time, revoke the appointment of the chairman of the Audit Committee and/or of the Remuneration and Appointments Committee.
108. The Audit Committee shall review and report to the Board on the accounting policies and procedures of the Company, its internal financial control systems and its compliance with statutory requirements, shall consider any matter raised by the Company’s auditors and shall undertake such further responsibilities as may be delegated, requested or specified in its terms of reference or otherwise, all as determined by the Board.
109. The Remuneration and Appointments Committee shall consider and make recommendations to the Board on the remuneration of Directors, the appointment of the Chairman, Non-Executive Director and Chief Executive, the remuneration and terms and conditions of employment of the employees of the Company and shall undertake such further responsibilities as may be delegated, requested or specified in its terms of reference or otherwise, all as determined by the Board.
110. Committees to which the Board delegate any of their powers shall be deemed “Sub-Committees” of the Board and must follow, where practicable, procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by the Board.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

111. A Director or Alternate Director shall be deemed to have vacated his or her office of Director or Alternate Director or shall not be permitted to be a candidate for appointment to such office at a General Meeting if he or she shall die, resign office, the Board shall, in accordance with Article 112 have determined that the Director or Alternate Director concerned is or has ceased to be or will not be a fit and proper person to hold such office, and/or, in the case of the Chief Executive, he or she has ceased to be employed by the Company under and in terms of a contract of service with the Company.
112. The Board may determine that a Director or Alternate Director is, has ceased to be or that a candidate for such office is/will not be, a fit and proper person to hold such office if the Board so concludes and/or the Board determines that any one or more of the events listed in Articles 98.1 to 98.11 (inclusive) has occurred and/or is occurring

and will or shall continue with respect to such Director or Alternate Director during the currency of any part of his or her putative office as Director or Alternate Director..

#### **REMUNERATION OF DIRECTORS**

113. The Directors and an Alternate Director may undertake any services for the Company that the Board decides.
114. The Directors and an Alternate Director shall be entitled to such remuneration and on such basis as the Board may from time to time determine for:
  - 114.1. their services to the Company as Director or Alternate Director; and
  - 114.2. any other service which they undertake for the Company.
115. Subject to these Articles, a Director's or Alternate Director's remuneration may:
  - 115.1. take any form; and
  - 115.2. include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director or Alternate Director.
116. Unless the Board decides otherwise, Directors' and Alternate Director's remuneration accrues from day to day.
117. Unless the Board decides otherwise, the Directors and an Alternate Director are/is not accountable to the Company for any remuneration which they receive as Director, Alternate Director or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company has an interest.

#### **DIRECTORS' EXPENSES**

118. The Company may pay any reasonable expenses which a Director and an Alternate Director, for the time being, properly incur in connection with their attendance at:
  - 118.1. meetings of and/or with Directors, Committees, Sub-Committees and such other groups of persons and individuals, including suppliers to and customers of the Company, as considered appropriate by the Board;
  - 118.2. General Meetings;
  - 118.3. separate meetings of the holders of any class of Shares or of debentures of the Company;
  - 118.4. meetings of representatives of and/or with Clubs and/or third parties to discuss matters of common interest; or
  - 118.5. otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## DIRECTORS' INTERESTS

119. A Director or Alternate Director who is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his or her interest to the other Directors and Alternate Director at a Board meeting before the Company enters into the transaction or arrangement in accordance with the 2006 Act.
120. A Director or Alternate Director who is in any way, 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 or her interest to the other Directors and Alternate Director at a Board meeting as soon as is reasonably practicable, unless the interest has already been declared under Article 119 in accordance with the 2006 Act.
121. If a declaration made under Article 119 or 120 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under Articles 119 or 120, as appropriate.
122. A Director and Alternate Director need not declare an interest in proposed or existing transactions or arrangements with the Company where:-
  - 122.1. that cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - 122.2. of which the Director or Alternate Director in question is not aware;
  - 122.3. if, or to the extent that, the other Directors and Alternate Director are already aware of such interest (and, for this purpose, the other Directors and Alternate Director are treated as being aware of anything of which they ought reasonably to be aware); or
  - 122.4. if, to the extent that, it concerns the terms of his or her service contract (as defined in section 227 of the 2006 Act) that have been or are to be considered by a meeting of the Directors, or by a Committee or Sub-Committee appointed for such purpose in terms of these Articles.
123. Subject to the provisions of the 2006 Act and provided that he or she has declared to the Board at a Board meeting the nature and extent of any direct or indirect interest of his or her in accordance with this Article 123 or where Article 122 applies and no declaration of interest is required, a Director or Alternate Director notwithstanding his or her office:-
  - 123.1. may be a party to, or otherwise be interested in, directly or indirectly, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested;
  - 123.2. may act by himself or herself or through his/her firm or limited partnership in a professional capacity for the Company or hold any other office or place of profit with the Company (otherwise than as auditor) in conjunction with

his or her office of Director or Alternate Director, and in any such case on such terms as to remuneration, for such period and otherwise as the Board may decide;

- 123.3. shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit;
  - 123.4. may be a Director, Alternate Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise be interested in, any body corporate and/or economic entity in which the Company is directly or indirectly interested; or
  - 123.5. may be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his or her appointment as a director of that other company.
124. The Board may authorise any matter proposed to it by a Director or Alternate Director at a Board meeting which would, if not so authorised, involve a breach of duty by that Director or Alternate Director under section 175 of the 2006 Act, including, without limitation, any matter which relates to a situation in which a Director or Alternate Director has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company.
125. The Director in question seeking authorisation in respect of such a conflict of interest must declare to the Board at a Board meeting the nature and extent of his interest in that conflict of interest as soon as reasonably practicable.
126. Any authorisation under Article 124 shall be effected in the same way that any other matter may be proposed to and resolved upon by the Board in accordance with these Articles and will be effective only if:-
- 126.1. it is given in accordance with the 2006 Act;
  - 126.2. any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director or Alternate Director in question or any other Director or Alternate Director interested in the matter under consideration; and
  - 126.3. the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
127. The Board may give any authorisation under Article 124 upon such terms, for such duration and may impose such limits or conditions as it thinks fit and may vary or terminate any such authorisation at any time.

128. No declaration of interest shall be required by a Director or Alternate Director in relation to any matter that has been authorised by the Board under Article 124 or where Article 122 applies.
129. A Director and Alternate Director shall be under no duty to the Company with respect to any information, which he or she obtains or has obtained, otherwise than as a Director or Alternate Director of the Company and in respect of which he or she owes a duty of confidentiality to another person. In particular, the Director shall not be in breach of the general duties he or she owes to the Company by virtue of sections 171 to 177 (inclusive) of the 2006 Act because he or she: -
- 129.1. fails to disclose any such information to the Board or to any Director or Alternate Director or other officer or employee of the Company; and/or
- 129.2. does not use or apply any such information in performing his or her duties as a Director or Alternate Director of the Company.

However, to the extent that his or relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this paragraph applies only if the existence of that relationship has been authorised by the Board pursuant to Article 120.

130. Save as otherwise provided by these Articles, a Director and the Alternate Director shall not vote on or be counted in the quorum in relation to a resolution of the Board, Committee or Sub-Committee concerning a matter in which he or she has a direct or indirect interest which is, to his or her knowledge, a material interest (otherwise than by virtue of his or her interest in shares or debentures or other securities of or otherwise in or through the Company), but this prohibition does not apply to any resolution where that interest cannot reasonably be regarded as likely to give rise to a conflict of interest.
131. If a question arises at a meeting as to the materiality of a Director's or Alternate Director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a Director (other than the chairman of the meeting) or Alternate Director to vote or be counted in a quorum, and the question is not resolved by his or her voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman of the meeting and his or her ruling in relation to the Director or Alternate Director concerned is conclusive and binding on all concerned. Where such a question arises with respect to the chairman of the meeting then he or she shall stand down as chairman for the relevant part of the meeting only and another director shall in accordance with the Articles take over the chairmanship of the meeting only for that part of the business of the meeting.
132. Subject to the 2006 Act, the Company may by Ordinary Resolution suspend or relax the provisions of Articles 119 to 131 (inclusive) to any extent.

133. Subject to the 2006 Act, the Company may by Ordinary Resolution ratify any transaction or arrangement not properly authorised by reason of a contravention of Articles 119 to 131 (inclusive).

#### **PROCEEDINGS OF THE BOARD**

134. The Board shall meet at least monthly and more frequently as may be required.
135. Subject to the provisions of the Articles and the Rules, the Board may regulate its proceedings as it thinks fit including by the establishment of Committees.
136. A Director and Alternate Director, in the case of an Alternate Director only when acting for the L1 & L2 Director in his or her absence, may, and the Secretary at the request of a Director and Alternate Director, in the case of an Alternate Director only when acting for the L1 & L2 Director in his or her absence, shall, call a meeting of the Board. Notice of any Directors' meeting shall indicate:
- 136.1. its proposed time and date;
- 136.2. where it is to take place; and
- 136.3. if it is anticipated that Directors or the Alternate Director participating in the meeting will not be in the same place, how it is proposed they should communicate with each other during the meeting.
137. Notice of a Directors' meeting shall be given to each Director and Alternate Director but need not be in writing. Notice of a Directors' meeting need not be given to Directors or the Alternate Director who waives their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven (7) days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
138. Questions arising at a meeting shall be decided by a majority of votes. Each Director and Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, shall, subject to the provisions of these Articles, each have one vote. In the case of an equality of votes at Board Meetings, the chairman of the meeting shall have a second or casting vote, but this does not apply if, in accordance with these Articles, the chairman or other Director chairing the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes.
139. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. The quorum for the transaction of the business of the Board shall be three (3) Directors, excluding the Alternate Director except in the case where he or she is acting for the L1 & L2 Director in his or her absence, in which case he or she is counted, present in person or deemed to be present in accordance with Article 144. If the total number of Directors and Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director

in his or her absence, for the time being is less than the quorum required, the Directors must not take any decision other than a decision to call a General Meeting so as to enable the Members to appoint further Directors and/or an Alternate Director.

140. A Meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the Board.
141. The Chairman shall be the chairman of all meetings of the Board and in his or her absence the Directors present in person or electronically shall themselves decide, by majority, who among their number shall chair the relevant Board meeting, subject that the Alternate Director shall not, in any circumstances, be eligible, for the time being, to be the chairman of the Board in the absence of the Chairman..
142. All acts carried out pursuant to a decision of the Board taken at a quorate and validly convened Board meeting, or by a person acting as a Director or Alternate Director, in the case of the Alternate Director when acting for the L1 & L2 Director in his or her absence, shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of a Director or Alternate Director or that he or she was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or Alternate Director and had been entitled to vote.
143. A resolution in writing of the requisite majority of the Directors and Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, entitled to receive notice of a meeting of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board and may consist of several documents in the like or similar hard copy or electronic form sent by one or more Directors and Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, and where a failure to respond by a specified date and time shall be taken to constitute an affirmation or, where stated, a negative to a proposition, proposal, consent or the equivalent, sufficient to constitute a majority of the Board for the time being.
144. A meeting of the Board may consist of a conference between such number of the Directors and Alternate Director participating in the meeting, who are in the same or different places, but all of whom are able (directly or by telephonic communication, by video conferencing or web conferencing or the equivalent or by any combination thereof) to speak to the others, and to be heard by the others simultaneously. Any Director and Alternate Director taking part in such a conference shall be deemed to be present in person at the meeting and shall, where entitled so to do in terms of these Articles or by law, be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the chairman of the meeting then is. The word "meeting" in these Articles and the Rules shall be construed accordingly.

## **SECRETARY**

145. Subject to the provisions of the 2006 Act, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as the Board thinks fit and any Secretary so appointed may be removed from such office by the Board or by Resolution of the Members in General Meeting. In the event of the absence of the Secretary for any reason the Board may designate a person to act in his stead as Secretary on a temporary basis.

## **MINUTES**

146. The Secretary shall cause the minutes of General Meetings to be kept and to be circulated, where such is reasonably practicable having regard to the date of the next General Meeting, to Members, at least fourteen (14) days before the date of the next General Meeting.
147. The Secretary must ensure that the Company keeps a record, in writing, for at least ten (10) years from the date of each decision recorded, of every decision taken by the Board.
148. The Secretary shall cause minutes to be kept of all:-
- 148.1. appointments of officers made by the Board; and
  - 148.2. proceedings at General Meetings and of meetings of the Board, including the names of the Members present in person, by proxy or by representative and the Directors present at each such meeting.

## **LEAGUE AND DIVISIONAL STRUCTURE**

149. Not more than 42 Clubs shall compete in the League.
150. The Clubs from time to time in membership of the League shall be grouped into and play in Divisions as set out in the Rules.
151. The Divisions shall be known by such name, number and/or title as may be determined by the Board in consultation with the Members.
152. The League and each of the Divisions shall be operated and managed by the Board in accordance with these Articles and the Rules.

## **COMMERCIAL REVENUES, OTHER REVENUES AND FEE PAYMENTS TO CLUBS**

153. Fee payments by the Company to Members will be made in accordance with these Articles.
154. Fees paid by the Company to Members are paid and to be paid in consideration of the rights, licenses, facilities and services, other than those for which a fee, royalty or other payment is agreed to be paid to a Club in terms of these Articles and the Rules for the purpose of enabling the Company to enter into and/or fulfil the Company's obligations



under and in terms of a Limited Commercial Contract, provided and which shall be provided by Clubs in terms of these Articles and the Rules to facilitate the generation of Commercial Revenues and generally to enable the Company to fulfil its obligations under and in terms of Commercial Contracts.

155. The aggregate fee payments payable by the Company to Members in respect of a Season shall be equal to the Net Commercial Revenues for the relevant Season.

156. No fee payment out of Commercial Revenues will be made until there has been deducted therefrom or adequate provision as determined by the Board has been made and sufficient sums in respect of such provision have been retained by the Company, to cover all costs and operating expenses involved in administering, organising, running and/or managing the League, the League Cup, any other Competition operated by the Company for and during the relevant Season and the Company, including, without limitation, wages and salaries, office running costs, advertising costs and any other costs or expenses directly or indirectly arising from the creation, establishment, administration and operation of the League, the League Cup, any other Competition operated by the Company and the Company, and any Parachute Payment and/or Pyramid Play-Off Parachute Payment made to or provided for any Club and any loan, payment or advance made or to be made by the Company, cost, expense or liability incurred or to be incurred by the Company or provision or allowance which the Board considers it appropriate for the Company to provide for or make.

156.1. The whole of the Net Commercial Revenues referable to any one Season shall, subject to Article 156.3, be paid as fee payments to the Clubs participating in the League during the relevant Season in accordance with their respective League positions, determined in accordance with the Rules, as set out in Table A in Article 156.2.

156.2. Table A

<b>League Position</b>	<b>Percentage Share</b>
1	13.40%
2	9.60%
3	8.25%
4	7.25%
5	6.75%
6	6.25%
7	5.75%
8	5.50%
9	5.25%
10	5.00%
11	4.75%
12	4.50%

13	2.25%
14	1.90%
15	1.60%
16	1.30%
17	1.00%
18	0.90%
19	0.85%
20	0.80%
21	0.75%
22	0.70%
23	0.50%
24	0.43%
25	0.35%
26	0.34%
27	0.33%
28	0.32%
29	0.31%
30	0.30%
31	0.29%
32	0.28%
33	0.27%
34	0.26%
35	0.25%
36	0.24%
37	0.23%
38	0.22%
39	0.21%
40	0.20%
41	0.19%
42	0.18%

156.3. In the event that: (i) the number of Clubs in the League in any Season is other than forty two; (ii) it shall be determined in accordance with the Rules that a Club shall not receive all or any part of a fee payment to which it would otherwise have been entitled in accordance with these Articles; (iii) a Club shall during the course of a Season cease to participate in the League; (iv) a Member shall cease to own and operate a Club; and/or (v) a Member's share shall be dealt with in accordance with Article 32 and/or Article 36, all for the purpose of this Article "Events", then the Board shall in its absolute discretion determine the most equitable basis, having regard to the interests of the League as a whole and the individual Clubs participating in the League for the

whole of the Season, on which the payment of fees as provided for in these Article shall be modified, subject that such modification shall be limited in amount to not more than the amount of the fees which would have been payable to the Member(s) and/or Club(s) in respect of which an Event has occurred had it not been for the occurrence of the relevant Event, for and in respect of the relevant Season.

- 156.4. The application, payment, distribution and all other such matters relating to or concerning Other Revenues shall be determined by the Board. In such determinations the Board shall have regard to the circumstances, conditions and terms, if any, in which such Other Revenues were generated, earned, received, receivable or derived and any previous bases of application, payment and distribution of such Other Revenues and if paid in whole or in part to the Clubs shall be paid as fee payments.

#### **RETAINED REVENUES**

157. All Retained Revenues shall be retained solely by the individual Club which earns, generates or receives them and shall not be shared among the other Clubs or be paid or repayable to the Company provided that any Club receiving any Retained Revenues shall be responsible for and shall indemnify the Company against any additional costs or expenses incurred by the Company in facilitating or enabling such Club to receive such Retained Revenues.

#### **PARACHUTE PAYMENTS AND PYRAMID PLAY-OFF PARACHUTE PAYMENTS**

##### **158. Parachute Payments to 11th placed Club in the Premiership**

- 158.1. Subject to Articles 158.2 and 158.3, fee payments, Parachute Payments, shall be made by the Company for each of the two Seasons immediately following relegation of any Club relegated from 11<sup>th</sup> place in the Premiership to the Championship as a consequence of losing a tie or ties in a Premiership/ Championship Play-Off Competition from time to time of £500,000 in the first Season following such relegation and £250,000 in the second Season following such relegation. The Parachute Payments payable for each such Season shall be paid to the owner and operator of such Club at the commencement of the relevant Season(s) following relegation.
- 158.2. In the event that a Club is promoted back to the Premiership after having been relegated for only one Season no Parachute Payment for the purposes of Articles 158.1 or 159.1 shall be payable in respect of the second Season after its relegation.
- 158.3. In the event that the owner and operator of a Club relegated as set out in Article 158.1 or 159.1 ceases to be a Member of the Company and/or the Club concerned ceases to be a member of or participate in the League before all Parachute Payments due in terms of Article 158.1 or, as the case may be, Article 159.1 have been paid any Parachute Payment or part thereof otherwise payable shall cease to be payable and shall not be paid.

**159. Parachute Payments to 12th placed Club in the Premiership**

159.1. Subject to Articles 158.2 and 158.3 fee payments, Parachute Payments, shall be made by the Company for each of the two Seasons immediately following relegation of any Club relegated from 12<sup>th</sup> place in the Premiership to the Championship from time to time of the lesser of £300,000 and 2.43% of the Net Commercial Revenues in the Season following such relegation and the lesser of £125,000 and 1.01% of the Net Commercial Revenues in the second Season following such relegation. The Parachute Payments payable for each such Season shall be paid to the owner and operator of such Club at the commencement of the relevant Season(s) following relegation.

**160. Pyramid Play-Off Parachute Payments**

160.1. Subject to Articles 160.2 and 160.3, fee payments, Pyramid Play-Off Parachute Payments, shall be made by the Company for each of the two Seasons following relegation of any Club relegated from the League from time to time of £40,000 in the first Season following relegation and £20,000 in the second Season following relegation. The Parachute Payments payable for each such Season shall be paid to the appropriate Club(s) at the commencement of the relevant Season(s) following relegation.

160.2. In the event that a Club is promoted to the League, after having been relegated for only one Season, it shall not receive any Pyramid Play-Off Parachute Payment in respect of the second Season after its relegation.

160.3. No Pyramid Play-Off Parachute Payments shall be paid or payable by the Company unless and until a sum equal to the amount of the relevant Pyramid Play-Off Parachute Payments otherwise payable shall first have been paid by the Scottish FA to the Company for the express purpose of reimbursing the Company in the amount of the relevant Pyramid Play-Off Parachute Payments.

**VAT**

161. All amounts specified in these Articles for payment are stated exclusive of VAT, if applicable.

**RIGHTS TO PAYMENT**

162. A Club shall remain entitled to receive payment of any accrued fees from the Company properly due or payable to it in terms of these Articles and the Rules following the owner and operator of that Club ceasing to be a Member of the Company through relegation.

**TERMINATION OF MEMBERSHIP**

163. No Club shall terminate its membership of the League unless it shall first have given two full Seasons notice in writing to the Secretary to the effect that it shall terminate its membership of the League.
164. Once given, written notice in terms of Article 163 may not be revoked or withdrawn by the Club which gave such notice, except with the approval of the Company in General Meeting by Ordinary Resolution.
165. Any Club which is in breach of the provisions of Article 163 shall on demand indemnify the Company, on behalf of the other Clubs in the League, against all losses, damages, liabilities, costs or expenses suffered or incurred by such Clubs and/or the Company which result directly or indirectly from such breach (including, but without prejudice to the generality of the foregoing, any loss of income or profits from any sponsorship or other commercial agreement or arrangement entered into by the Company as a result of such breach).
166. The Company may by Qualified Resolution from time to time and upon such terms and conditions as it may think fit, expel or accept the retirement or resignation of any Club from the League.

#### **CONFLICT BETWEEN ARTICLES AND RULES**

167. In the event of any conflict between these Articles and the Rules and/or Regulations, unless specifically stated in these Articles, the provisions of these Articles shall prevail.

#### **EXECUTION OF DOCUMENTS**

168. A document signed or subscribed by any Directors, any Director and the Secretary or any Director or the Secretary before a witness, on behalf of the Company in accordance with the Requirements of Writing (Scotland) Act 1995, shall have effect notwithstanding that such document was not executed by the Company affixing any seal.

#### **DIVIDENDS AND OTHER DISTRIBUTIONS**

169. The Company may by Qualified Resolution declare dividends.
170. A dividend must not be declared unless the Board have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Board.
171. No dividend may be declared or paid unless it is in accordance with Members' respective rights.
172. The Board may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

173. Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
- 173.1. transfer to a bank or building society account specified by the distribution recipient either in writing or as the Board decides;
- 173.2. sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient either in writing or as the Board decides;
- 173.3. sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the Board decides; or
- 173.4. any other means of payment as the Board agrees with the distribution recipient either in writing or by such other means as the Board decides.
174. In these Articles, "the distribution recipient" means, in respect of a Share in respect of which a dividend or other sum is payable, the holder of the Share.
175. The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the provisions of any other agreement between the holder of that Share and the Company.
176. All dividends or other sums which are:
- 176.1. payable in respect of Shares; and
- 176.2. unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the Board for the benefit of the Company until claimed.
177. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
178. If:
- 178.1. twelve years have passed from the date on which a dividend or other sum became due for payment; and
- 178.2. the distribution recipient has not claimed it,
- the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.
179. Subject to the terms of issue of the Share in question, the Company may, by Qualified Resolution on the recommendation of the Board, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of

equivalent value (including, without limitation, shares or other securities in any company).

180. For the purposes of paying a non-cash distribution, the Board may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

180.1. fixing the value of any assets;

180.2. paying cash to any distribution recipient on the basis of that value in order to adjust the rights or recipients; and

180.3. vesting any assets in trustees.

181. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

181.1. the Share has more than one holder; or

181.2. more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or person otherwise entitled to the Share.

## **ACCOUNTS**

182. Except as provided by law or authorised by the Board or a Qualified Resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

## **NOTICES**

183. Any notice to be given to or by any person pursuant to the Articles shall, unless provided otherwise, be in writing. A Director and Alternate Director shall be entitled to notice of Board meetings notwithstanding that he or she is temporarily outwith the United Kingdom provided he or she shall have informed the Company by written notice to the Office of the address to which such notice should be sent.

184. Any document may be served on or delivered to any Member, Director or Alternate Director by the Company in hard copy or electronic form either personally, or by sending it by post addressed to the Member at its registered address or by facsimile transmission or telex or email or other instantaneous means of transmission to a number provided by the Member for this purpose, or by electronic mail or other similar means of communication to an electronic address or digital media message 'address' provided by the Member for this purpose, or by leaving it at its registered address addressed to the Member, Director or Alternate Director, or by any other means authorised in writing by the Member, Director or Alternate Director concerned.

185. Any document, which is sent by post, shall be deemed to have been served or delivered forty eight (48) hours after posting and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document otherwise than by post, or sent by facsimile transmission or telex or email or other instantaneous means of transmission, shall be deemed to have been served or delivered when it was left or sent.
186. A Member present, either in person or by proxy, at any General Meeting or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
187. A notice may be given by the Company to the persons entitled to a Share in consequence of the insolvency, administration or receivership of a Member or for any other reason, by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a Member, addressed to them by name or as manager, administrator, receiver, administrative receiver or liquidator of the Member or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the insolvency, administration or receivership had not occurred.

#### **WINDING UP OF THE COMPANY**

188. On the winding-up of the Company the surplus assets 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.
189. If the surplus assets shall be more than sufficient to pay to the Members the whole amount paid upon their Shares, the balance shall be paid over to the Scottish Professional Football League Trust or such other body nominated or approved by the Scottish FA or to such other party or parties as shall be determined by the Members in General Meeting at or before the time of winding-up.

#### **INDEMNITY AND INSURANCE**

190. Subject to the provisions of Article 191, a relevant Director and Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, of the Company or an associated company may be indemnified out of the Company's assets against:
  - 190.1. any liability incurred by that Director or Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;



- 190.2. any liability incurred by that Director or Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the 2006 Act); and
- 190.3. any other liability incurred by that Director or Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence as an officer of the Company or an associated company.
191. Article 190 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
192. The Directors and Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director or Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, in respect of any relevant loss.
193. In these Articles:
- 193.1. a “relevant Director” means any Director or Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, or former Director or former Alternate Director, in the case of the former Alternate Director only when acting for the L1 & L2 Director in his or her absence, of the Company or an associated company;
- 193.2. a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director or Alternate Director, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, in connection with that Director’s or Alternate Director’s, in the case of the Alternate Director only when acting for the L1 & L2 Director in his or her absence, duties or power in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company; and
- 193.3. companies are “associated” if one is a subsidiary (as defined in section 1159 of the 2006 Act) of the other or both are subsidiaries of the same body corporate.

#### **SCOTTISH FA ARTICLES**

194. Nothing in these Articles shall relieve any Member of the Company from its obligations as a full member club of the Scottish FA to comply with the applicable articles of association of the Scottish FA for so long as such Member remains a member of the Scottish FA.
195. Each Member shall in so far as it is lawfully able and permitted by the exercise of its voting powers to do so procure that the Company observes and complies with all relevant articles of association of the Scottish FA applicable to it.

## **RULES**

196. Each Member shall be liable for the discharge of the obligations and duties and shall be entitled to the benefits and rights accruing under and in terms of these Articles, the Rules and Regulations of and to the Club which it owns and operates.