

RESOLUTION

- of -

EFFINGHAM & LEATHERHEAD RUGBY FOOTBALL CLUB (the Club)

IT WAS RESOLVED that:

1. the Club with immediate effect adopt as a new Rule of its Constitution, the following rule:

"Distribution of Assets by way of Reconstruction

A proposal that the Club distribute its assets by way of a scheme of reconstruction to a limited company (the Company) with similar objects to the Club and then dissolve, shall be passed if supported by two thirds or more of those members present and voting at an annual general meeting."

2. pursuant to new Rule, subject to obtaining the necessary tax clearances, the Club would convey, transfer, assign and/or deliver with effect on a date as the Club and the Company may agree (Effective Date) to a new limited company (the Company) and the Company would acquire and take over:
 - 2.1. all office equipment, vehicles, stationery, books, publications and other stocks, furniture, fixtures and fittings and other equipment of the Club;
 - 2.2. the benefit of all contracts, commitments, engagements, orders and covenants including the right of the Company to novate the same (subject to the consent of the other parties thereto) and including all book debts due and owing to the Club;
 - 2.3. the cash in hand and at banks and investments in the name of or held on behalf of the Club;
 - 2.4. the benefit of any policies of insurance existing up to the Effective Date covering any liabilities of the Club taken out by the Club and of any claims pending thereunder;
 - 2.5. all intellectual property rights together with the benefit and subject to any contracts with third parties for the exploitation thereof; and
 - 2.6. all other (if any) assets, liabilities and undertakings including the goodwill of the Club;
3. completion of the transfer of assets and undertaking shall take place at such a date as the Club and the Company may agree, whereupon the Club shall:
 - 3.1 cause to be delivered to the Company all the assets hereby agreed to be transferred which are capable of passing by delivery and a duly executed assignment of all the other assets to be transferred hereby not capable of passing by delivery; and

- 3.2 cause to be delivered to the company duly executed stock transfer forms in respect of any investments which are held in the name of the Club;
4. in cases where the Club has entered into agreements or contracts with third parties on terms whereby the purported assignment or novation thereof would be a breach of or otherwise cause or entitle such third parties to terminate such agreements or contracts, the Club shall use its best endeavours to obtain the agreement of such third parties to such assignment or novation, and if that agreement is not obtained, then such agreements or contracts shall not be or be deemed to have been so assigned or novated and the same shall continue and subsist in the name of the Club but on the basis that:
- 4.1 the Club shall not incur any liability thereby;
- 4.2 the obligations of the Club under such contract shall be performed by the Company in accordance with their respective terms;
- 4.3 in consideration of such performance, the Club shall direct or procure that all payments due to it under such contracts in respect of work carried out by the Company after the Effective Date shall be paid to the Company; and
- 4.4 the Club shall on behalf of the Company take such action and enforce all claims arising under such agreements or contracts against such third parties upon receiving the written request of the Company so to do together with an indemnity from it in terms reasonably satisfactory to the Club against all costs claims or losses arising or to be incurred by the Club in respect thereof;
5. the assets transferred in accordance with this Resolution are being transferred in their present state and no warranty, condition, term or representation, express or implied, statutory or otherwise, as to the condition, quality, accuracy, performance, merchantability or fitness for intended purpose of the said assets or the existence or extent of any third party rights or claims in relation thereto is given or assumed by the Club and all such warranties, conditions, terms and representations are excluded to the fullest extent permitted by law;
6. the Club shall take all necessary steps and co-operate fully with the Company to ensure that it obtains the full benefit of the assets and undertaking of the Club and shall execute such documents and take such other steps (or procure other necessary parties so to do) as are reasonably necessary or appropriate for vesting in the Company all their rights and interests in such assets and undertaking;
7. on completion of the transfer of the assets and undertaking to the Company, the Club will thereupon dissolve.

.....

Lee Bradshaw, Chairman