

Terms of Reference and Memorandum of Understanding

The Football Supporters' Society of Bury Limited

Interim Board

Introduction

This Memorandum of Understanding (MoU) between Bury Football Club Supporters' Society Limited (BFCSS) and Shakers Community Society Limited (Shakers), sets out the considerations and Terms of Reference for the 'Interim Board' of the Football Supporters' Society of Bury Limited (FSSB).

FSSB will be created in the event of a positive vote for amalgamation by members of both BFCSS and Shakers. The Interim Board is appointed by the 'Special Resolution to Amalgamate' as voted on by members, and will have overall authority for the operations of the two preceding organisations BFCSS and Shakers.

Process

The registration of an amalgamated society with the Financial Conduct Authority (FCA) is a two-part process:

1. To register FSSB as a new society the following items are registered with the FCA:
 - a. Two signed copies of the resolutions to amalgamate.
 - b. A statutory declaration confirming everything was done properly.
 - c. The rules of the new society as approved by the members.
2. Once all property, funds and all other matters in relation to the amalgamation have been dealt with and the new society is fully up and running, a certificate is filed with the FCA to confirm this.

Part one of the process will take place no more than 14 days after SGM 2. Once the FCA registers the amalgamation resolutions, the new society is entered on the mutuals register.

Part two of the process and the application to finalise the amalgamation will be made once the Interim Board determines that all necessary third-party consents have been obtained, the new society has a bank account opened, and all funds and property under the control of the new society. Once the certificate is filed with the FCA, the two amalgamating societies will be removed from the mutuals register.

Interim Board & AGM

In the period up and until the FSSB AGM the society will be governed under the rules approved by members during the amalgamation process.

- Rule 58 of the draft rules for FSSB provides for the appointment of an 'Interim Board' made up of 'initial Directors':

'The initial Directors of the Society from registration until the first General Meeting shall be those individuals named as such in the special resolutions implementing the statutory amalgamation and passed by the Amalgamating Societies.'

The final act of the Interim Board will be to call an AGM of all FSSB members.

It is the intention to hold the 'first General Meeting' of the new society no later than 30th June 2023.

Responsibilities of Interim Board Members

Interim board members are full board members of FSSB with statutory legal and fiduciary obligations. Where there is a conflict a board member's statutory legal and fiduciary obligation will always take precedence.

Terms of Reference for the Interim Board

The Interim Board will work with all those involved to expedite the completion of the amalgamation of the two societies in accordance with the member vote.

The directors appointed to the new board by BFCSS and Shakers commit to work positively towards completing the amalgamation process.

All parties commit to act in accordance with the 'Objectives' set out in the Memorandum of Understanding signed by the Gigg Lane Working Party, dated 21st April 2022, as well as the objectives in the rules of FSSB.

All parties commit to progress the development of Gigg Lane in partnership with the local community and Bury Council, and in accordance with the objectives set out in all funding agreements.

All parties commit to maintain the existing operations of Bury Football Club (2019) Ltd (including budgets and personnel) without change except where personnel leave and need to be replaced, or spend is requested which is materially outside the overall budget.

Society Secretary

Rod Peters be appointed as Society Secretary for FSSB supported by Martin Stembridge as minute taker.

Tasks & Third-Party Consents

In the initial period following the vote to amalgamate, the two societies will continue until such times as the amalgamation is registered with the FCA. The 'Interim Period' is to ensure a smooth handover of responsibilities from BFCSS and Shakers to the FSSB and the completion of the following:

1. Third Party consents, determine the process for addressing the impact on each of the following:

- **North West Counties Football League**
 - League rule 2.13 requires notification of Ownership and Change of Control. The playing licence will continue to be held by Bury FC (2019) Ltd. The amalgamation requires the consent of the league.
 - Obtain consent to move ground for season 2023-24, once name change is completed.
 - Ground grading inspection and certification.
- **The FA**
 - FA Rule A3, requires approval for the 'Transfer of FA Membership'. The playing licence will continue to be held by Bury FC (2019) Ltd but it would be wise to confirm the amalgamation with the FA.
 - Directors will need to submit to an FA Owners' and Directors' Test.
 - Bury AFC to apply for a change of name to Bury FC.
- **HMRC**
 - PAYE
 - VAT
 - Corporation Tax
- **Commercial contracts**
 - All commercial contractual obligations to be reviewed for compliance (Appendix 1)

2. Financial Considerations

- Bank accounts
- Merchant accounts
- Digital payment platforms
- Establish audit and finance functions for the new CBS

- AML and KYC checks

3. Society Membership

- Transfer and sign-up members to £5/month in line with agreed business plan
- Adopt an integrated membership system for all members
- Monthly report to members on progress, including consolidated financial reporting

4. Board Governance

- Formally adopt side policies agreed in the member vote
- Establish sub committees for FSSB
- Establish working arrangements with other companies within the group
- Determine FSSB representation on the Board of The Bury Football Club Company Ltd (13907755)
- Decisions where there is an equal number of votes for and against shall be noted as not agreed, and put to members if a resolution is required

5. First Annual General Meeting

- Call a General Meeting no later than 30th June 2023
- Establish a process for Board elections
- Consider additional necessary business

