

SGM 2015



Background to the SGM

Since 2001, we have invested £800,000 into Carlisle United FC.

Thanks to this investment, The Trust currently owns 25.4% of the football club. However the club urgently requires new finance to support its operations. The plan put forward by Andrew Lapping intends to raise £1.25m to invest into Carlisle United FC. Why do we need to back this proposal?

We can't afford to carry on as we are!

- ✓ Without this financial boost, the club continues to rely on loans from chairman, Andrew Jenkins and his company, Pioneer
- ✓ To continue to do this increases debts and makes the business unattractive to future investors
- ✓ The risk of administration in future increases
- ✓ The Trust does not have the funds to help in the short-term
- ✓ The current boardroom set-up is undemocratic
- ✓ The Trust's membership numbers are low

Current share breakdown

A Jenkins 50 (37.2%)

J Nixon 25 (18.7%)

S Pattison 25 (18.7%)

The United Trust 34 (25.4%)

Total shares issued: 134

Proposed future share breakdown

A Jenkins 1,036,050 (37%)

J Nixon 196,025 (7%)

S Pattison 28,025 (1%)

The United Trust 280,034 (10%)

New investors 1,260,000 (45%)

Total shares issued: 2,800,134

Shares with voting rights

A Jenkins 585,050 (24.9%)

J Nixon 196,025 (8.3%)

S Pattison 28,025 (1.2%)

The United Trust 280,034 (11.9%)

New investors 1,260,000 (53.6%)*

Total shares issued: 2,349,134

How will the new plans work?

- ✓ Two new boards to be formed
- ✓ 'TopCo' board will act as trustees
- ✓ Operations board oversee day to day business
- ✓ Trust rep sits on 'TopCo' board
- ✓ All directors to have 5-year term of office
- ✓ Football ground transfers into Holdings
- ✓ Rules ensure no-one has 'negative control'
- ✓ Important votes require 75% majority
- ✓ Trust to have non-voting rep on operations board

Who are the new investors?

- ✓ Lead investor, Andrew Lapping is lifelong fan
- ✓ Robin Brown, founder of System Group
- ✓ Other backers are local business people
- ✓ Most are existing sponsors of CUFC
- ✓ Two of their number to sit on 'TopCo' board
- ✓ Together they bring significant expertise to CUFC
- ✓ Key investors all back greater supporter influence & involvement

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Questions now invited from the floor

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