



Share in football's community

FC United of Manchester community share offer document. November 2011

FC United Limited ('FC United')

Community Share Offer

This is a landmark opportunity to invest in a club bringing football back to the heart of its communities.

FC United is a member owned football club which is planning to build a stadium and community facility in Moston, North Manchester.

The development will cost £4.5m and we are seeking to raise a minimum of £1.6m from this Community Shares offer. This is a revised offer from one issued for a previous scheme in 2010. We are inviting you to join us, be part of this exciting development and help make football history.

The offer is open from November 1, 2011, to December 31, 2011.

Raising capital through Community Shares is a unique development in English football. It has been recognised as being of national importance offering a real alternative to the way football is run and financed and offering genuine social benefits to local communities.

We are asking anyone who shares our vision to be part of it. By doing so you will be supporting a better way for football - one that is owned and run by supporters and committed to wider community and social development and financial sustainability.

Please join us in this exciting development and create a positive and lasting legacy in Manchester as well as in sport, for generations to come.

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The Society and the Board accept responsibility for the information contained in this document. To the best of the knowledge of the Society and the Board (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and contains no omission likely to affect its substance.

Prospective investors should read the whole text of this document and should be aware that the intended outcomes of an investment in the Society are speculative and involve significant risk. Prospective investors are advised to read in particular, the sections of this document headed “The Community Share Issue” and “Contingencies and Risks” (pages 12 and 15).

Our share offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations; this means you have no right of complaint to an ombudsman. A community benefit society is registered with but not authorised by the Financial Services Authority and therefore the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme.

As the whole of your investment could carry a risk, please consider it carefully in the context of the complete share offer document, and if needed seek independent advice.

FC UNITED LIMITED COMMUNITY SHARE OFFER

LAUNCH DATE: November 1, 2011

CLOSURE DATE: December 31, 2011

Legal Advisers:

Cobbetts LLP
58 Mosley Street
Manchester
M2 3HZ

Accountancy Advisers:

RSM Tenon
Parsonage Gardens
Manchester
M3 2LF

FC United is a Community Benefit Society incorporated under the Industrial and Provident Societies Act 1965. Registered with the Financial Services Authority. Registered No: IP29969R

1. Introduction to FC United

FC United of Manchester is a community football club owned and democratically run by its 2,500+ members. Its corporate structure is a Community Benefit Society and membership is open to all, with everyone an equal co-owner holding one voting share in the club.

The club was founded in 2005 and is a semi-professional football club, currently playing in the Northern Premier League. The club averaged crowds of 2,000 in 2010/11 – several times the league average - and boasts many on- and off-field achievements. This includes three consecutive promotions, cup victories and in 2010/11 a thrilling run to the FA Cup second round proper, overcoming professional Football League opponents along the way and achieving national TV and press coverage.

The club is unique in English football in having its obligations to its fan communities and local communities written into its Company Objects (the constitution is available on our website). The club was awarded Cooperative UK's Cooperative Excellence Award in 2009 for its cutting edge work with local communities.

FC United seeks to change the way that football is owned and run, putting supporters at the heart of everything. It aims to show, by example, how this can work in practice by creating a sustainable, successful, fan-owned, democratic football club that creates real and lasting benefits to its members and local communities.

The proposed development of the Ronald Johnson Playing Fields into a community football ground, sports and non-sports community facility, which we are asking you to support, is a vital element of our plans for the club's and the area's future. This is a future in which we intend to work with every branch of the local community for the benefit of all.

Many football clubs' major developments place their club in huge debt or place the club in the hands of major investors. With your support via the Community Share Offer, we can show a better way. The FC United Board believe that your investment will be for long term benefit and will help FC United succeed in its mission, creating significant social, environmental and financial returns.

2. From Newton Heath to Moston

In 2010 we issued an offer of shares to develop a site in Newton Heath, Manchester. We raised a commitment of just under £1.3m of the initially targeted £1.5m by February 2011.

Due to unforeseen circumstances beyond the club's control, we were unable to proceed with that site, a decision made by the City Council (who owned the site) in February 2011.

Since then we have developed plans in conjunction with Manchester City Council on an alternative site at Ronald Johnson Playing Fields in Moston, North Manchester. Situated about a mile from the previous site, in an area in need of investment, improvement and new community facilities, this offers an exciting new proposition for both the club and the community.

For those who committed money to the previous offer, which is safely held in an Escrow account, we are asking you to transfer that commitment to the new offer and if you can, consider additional share purchase in the scheme.

For those who are new to the offer, we are asking you to now join us in this development.

3. The Moston development - a sustainable home for us and our communities

FC United has been ‘homeless’ since its formation, but has nevertheless achieved a great deal. We now have ambitious plans to build a new home with facilities for local community development in Moston, less than three miles from Manchester city centre.

With our own ground and community facilities we believe that we can achieve great things – making the club sustainable and also able to fulfil its ambitions as a beacon of a better way for football, delivering genuine community development.

The plans for our new home will include:

- A 5,000 capacity football stadium designed to reflect the views of fans and be sympathetic to the local area
- New and regenerated community sports facilities including a 3G artificial turf pitch, changing rooms and grass pitches
- A club house with multi-functional spaces for use by local community groups, young people, as well as supporters

The plans include a partnership with Moston Juniors Football Club who will be the ‘anchor’ junior club on the site.

3.1 Sustainability and growth

The Board believe that the development will help make the club sustainable and allow it to grow whilst maintaining its core principles of democratic fan ownership.

Based on prudent estimates our Business Plan (which is available at fc-utd.co.uk/CommunityShares) outlines how the club will prosper through new income. The Business Plan has been scrutinised by Manchester City Council as well as club auditors, RSM Tenon.

The club will reinvest surplus money into its primary purpose as a community benefit society, enabling it to better develop work with a range of communities in and around Moston and Manchester as well as club members/co-owners. Using sport as a gateway, the Board believe that it will lead to ongoing personal and collective development in education, volunteering and physical activity, helping to underpin community cohesion in the area. This will provide a sustainable, community focused approach for the future of the club and the area.

3.2 Council and local support

We have high level support from Manchester City Council as well as local support, most notably from Moston Juniors Football Club, who are partners in the project.

i. Manchester City Council

Manchester City Council have been partners in helping to shape the proposals to date and are seeking to obtain Council Executive approval in November 2011 to progress the development. This will include agreeing terms to grant a long term lease on the land to the club at peppercorn rent. They have approved an 'in principle' capital allocation of £750,000, £200,000 of which has been used to fund fees related to site development and planning. The City Council have also contributed significant 'in kind' support, including considerable senior staff time, to making this development happen and will be a long term partner in sports and community development at the site.

ii. Moston Juniors

The lease for the site is currently held by Moston Juniors FC who have agreed to hand over their existing lease on the land in return for guaranteed use of new and improved facilities and a new mutually beneficial partnership deal with FC United.

This is described in a partnership agreement between MJFC, FCUM and Manchester City Council and will be underpinned by a legally binding usage agreement.

iii. Local Partners

FC United are also working with a wide range of local educational and community groups to develop a sustainable, mutually beneficial partnership with the area.

These include St Matthews School, St Mary's School, the Creative and Media Academy, Manchester College, Moston Miners Community Arts Centre, Whitemoss Youth Club and others.

3.3 Local benefit

Our partnerships with Moston Juniors Football Club, local schools, Manchester College and Manchester City Council along with ongoing consultation with local community groups will help us utilise the facilities to underpin the area's needs in terms of health, physical activity, youth engagement and education.

Our Summary Business and Community Use Plan outlines the ways in which the facility will engage local people, provide sporting and non-sporting opportunities for community development and increase participation in both sporting and non-sporting activities. It is available at www.fc-utd.co.uk/CommunityShares.

The site development also represents a significant commitment by FC United to Moston and the people that live in the local area, and the club's Board hopes that it will act as a catalyst for ongoing local improvements. The development plans include: a capital development of £4.5m, increased footfall of upwards of 2,000 people to the area per home match providing spending in the local area and delivery of FC United's community outreach work, helping local residents, young people, and local organisations.

The Board believe that the development will result in significant improvements to the site and we are working closely with leading building design consultants to ensure the building is as environmentally friendly as possible. Low carbon technologies and grey water harvesting are under consideration alongside a Green Travel Plan which will, so far as possible, encourage use of public transport and other alternatives to private car use. We have undertaken an extensive community consultation on design and use and are committed to the involvement of communities in the running of the site.

3.4 Management - ensuring community benefit

There will be three 'layers' of site management that will oversee delivery of local community benefit:

- i. FCUM Board:** The facility will be developed, owned and managed by FC United of Manchester. The Board of FC United of Manchester will take overall management responsibility and be responsible for any future on-site development. It will be owned by the club's members and membership will remain open.
- ii. Operations Advisory and Monitoring Board:** There will also be an Operations Advisory and Monitoring Board to ensure that outcomes sought by all partners are met. It is proposed that membership of this will be: FCUM, MJFC, MCC and grant funder representatives.
- iii. Community Forum:** We will establish a Community Forum which will meet regularly during each year to ensure there are no problems running the site and to allow a voice for community groups and individuals in the area as well as input into the programming of activities on site.

We will use sport to lead to ongoing personal and community development in education, volunteering and physical activity and as an aid to community cohesion. We are committed to building on the award-winning outreach work that the club is renowned for, becoming an integral part of the Moston area, contributing to its ongoing regeneration and helping to change local lives for the better.

Every aspect of the development will be made with our fan and local communities in mind, in order to make a tangible difference to those we engage. Regardless of age, race, gender, sexuality or ability, we will involve people and put their interests at the heart of what we do.

Our promises will be underpinned by:

- An irreversible Asset Lock that is in place in FC United's constitution means that the site cannot be sold in order to distribute surpluses to its members/co-owners. This is unique in English football (details below)
- A lease agreement with Manchester City Council that specifies the delivery of community benefit
- A legally binding partnership agreement with Moston Juniors FC delivering a unique football development plan for the area
- Grant funding agreements which will specify community sports outcomes to be delivered
- Regular reports on community use and outcomes made publicly available
- An Annual Report outlining performance

Please join us in creating a positive and lasting legacy in Manchester and sport as a whole for generations to come.

4. Current status and outstanding issues

In just seven months since work began on this site, the club, its project team and partners and council have delivered:

- i.** A detailed design plan (RIBA Stage D) for the entire site.
- ii.** An affordable scheme costing £4.5m. These costs have been confirmed through a tender process with contractors which has identified 3 potential suppliers.
- iii.** Full planning permission, granted on October 27th 2011.
- iv.** A funding package to meet the build costs (detailed below).
- v.** A draft Heads of Terms with Manchester City Council outlining the terms of the proposed lease.
- vi.** A partnership agreement with Moston Juniors FC.
- vii.** A sport development and Football Development Plan approved by Manchester County FA.

We have a number of steps to go through before work on the site can commence.

- i.** Lease Agreement: We need to finalise the Heads of Terms with Manchester City Council and anticipate agreeing a lease with legally binding agreement to lease by the end of November 2011.
- ii.** Council Executive Approval: Executive approval and grant funding is expected by the end of December 2011.
- iii.** Agreement of grant and other funding (see next page).

5. The capital funding package

Working closely with project managers, Frank Whittle Partnership, who have undertaken a full tender process, we have confirmed a budget of £4.5m. All professional fees to date have been met by Manchester City Council. **Our capital funding package is as follows:**

Source	Target	Status/notes
FCUM Community Shares	£1,600,000	£1.28m committed in previous scheme in Escrow account, £0.12m in pledges. Deadline December 2011
Development Fund	£250-300,000	Over £400,000 raised. £250,000 spent on fees (Newton Heath). £10,000 on standing order p/m. £100-150,000 to raise by December 2011
Manchester City Council	£550,000	£750,000 allocated to project, awaiting Executive sign off pending planning decision. £200,000 contributed to fees to date. Decision December 2011.
Sport England (Iconic facilities fund)	£750,000	Stage one approval given. Funding approval December 2011
Football Foundation. Stadia improvement fund	£150,000	Decision March 2012
Football Foundation. Community facilities fund	£500,000	Decision March 2012
Identified funder	£300,000	Confidential at time of publication: decision due November 2011
Other funding	£400,000	Exploring various sources
TOTAL	£4,500,000	

Our unique approach as a football club and the amount raised through this share offer is a significant factor in securing the backing of public bodies for this project and we are asking for your involvement and support in making it happen.

We are asking for support from all those who share our vision and belief that a football club set up by supporters, owned and run by supporters and committed to wider community development can be both socially successful and financially sustainable. Joining us in this will help to create a legacy in Manchester for future generations and help re-shape how football more broadly is organised and financed.

6. The Community Share Issue

FC United is the first football club to issue 'Community Shares'. Community Shares are shares issued for a community purpose. The concept has been developed through a joint initiative of the Development Trusts Association and Co-operativesUK with support from the Department for Communities and Local Government and the Cabinet Office.

We have adopted principles which they have established for share offers of this kind. The words "Community Shares" do not, however, have any legal meaning and your rights if you buy Community Shares in FC United are those set out in this part of our offer document.

The Community Shares we are issuing are Capital Funding Shares issued by the Board as permitted by our constitution. The terms which the Board has approved for the shares are as follows:

- 1.** The value of the shares is £1.
- 2.** The shares can only be bought and held by members of FC United who are 16 years of age or are a corporate body or firm. They are not transferable. No voting rights attach to the shares.
- 3.** The minimum purchase of shares is £200 and the maximum is £20,000.
- 4.** Unless extended by the Board, this offer is open from November 1, 2011, to December 31, 2011.
- 5.** Interest up to 2 per cent per annum above clearing bank base rate may be paid on the shares with effect from the third anniversary of the date on which FC United takes occupancy of the completed stadium site (but not for any period before that date) subject to the following conditions:
 - (i)** Any payment of interest must be from trading surpluses and is at the discretion of the Board having regard to the long term interests of FC United, the need to maintain prudent reserves and the society's primary commitment to community benefit;
 - (ii)** The Board may, having regard to the principles set out in the preceding subparagraph, pay no interest or interest at a rate lower than 2 per cent per annum above clearing bank base rate.
- 6.** The shares are withdrawable with effect from the third anniversary of the date on which FC United takes occupancy of the completed stadium site subject to the following conditions:
 - (i)** Applications to withdraw shares will be made on a form to be approved by the Board. The form will set out the timetable and procedure to be adopted by the Board in deciding whether to permit withdrawals and in deciding where necessary which withdrawals to permit;
 - (ii)** All withdrawals must be funded from trading surpluses and are at the discretion of the Board having regard to the long term interests of FC United, the need to maintain prudent reserves and the society's primary commitment to community benefit;
 - (iii)** The Board will not permit more than 10 per cent of the total value of the shares issued to be redeemed in any financial year.
- 7.** On the solvent dissolution or winding up of FC United, holders of the shares will have no financial entitlement beyond payment of outstanding interest approved by the Board and repayment of paid-up share capital.

6.1 Membership

Everyone who has Capital Funding Shares will need to be a member of FC United.

Due to the fact that the shares do not carry extra voting rights, the One Member One Vote principle of the club will remain absolutely sacrosanct. Whether investments are small or large, everyone will have an equal say. The full rights, role and responsibilities of members are set out in the Rules of FC United which are available at www.fc-utd.co.uk but the following points are drawn to your attention:

- Under the terms which apply to Capital Funding Shares you must be and remain a member of FC United for so long as you hold the shares
- **If you are an existing member** you need to provide your membership details on application
- **If you are not an existing member** you need to join at the time of application. The first £1 of the annual membership fee will be used to buy an ordinary share in your name
- Members are required to pay an annual membership fee which is agreed by a members' vote and payable each year
- If you fail to pay the fee you may cease to be entitled to member benefits

The minimum share purchase of £200 has been set at what the Board considers to be the minimum amount possible given the administrative costs of the share issue. If you cannot afford the minimum investment you are asked to contact the club. For more details see www.fc-utd.co.uk/CommunityShares

If you would like to invest more than the maximum £20,000, please contact the club to discuss other options we have.

The offer set out in this document is only open to UK residents. If you live abroad and would like to buy shares, please contact the club. If you live abroad and bought shares in the previous scheme, please include a note to this effect with your application.

6.2 Moratorium and provisions for repayment

A moratorium of three years on interest payments and withdrawals of shares has been set in order to help the important early stages of the development and to ensure the sustainability of the club.

The Business Plan envisages that by the fourth year of occupancy of the site, we will have built up the reserves needed to pay interest and permit the withdrawal of up to 10 per cent of the Capital Funding Shares per year from Year 4. It is, however, fundamental that, before making payments to shareholders the club delivers the community benefits which are the reason for its existence. A summary table for the net profit and loss is provided below, indicating the hugely positive impact that this development will have on business sustainability.

	Year 1	Year 2	Year 3	Year 4	Year 5
Turnover	£871,956	£932,127	£1,014,003	£1,068,426	£1,140,530
Overheads and cost of sales	£694,574	£749,763	£785,661	£823,354	£862,932
Sinking Fund	£45,000	£45,000	£45,000	£45,000	£45,000
Operating surplus	£111,382	£137,364	£183,342	£200,072	£232,598
Post tax profit	£82,219	£100,878	£134,970	£152,742	£175,393

This creates an overall post tax surplus of £646,202 over the first 5 years.

Share repayments begin in Year 4 at a *maximum* of £160,000 (10 per cent of total share capital). With another repayment at the same level in Year 5 and 6 (a total of £480,000) as well as potential dividend payments in Years 4 and 5, this allows a cushion of £130,000 in projected surpluses.

An indicative table below shows how this provision for share repayment might be accommodated within the cash flow. More detail is provided in the Business Plan Summary.

	Year 1	Year 2	Year 3	Year 4	Year 5
Provision for community shares repayment	£70,000	£80,000	£100,000	£110,000	£120,000
Potential dividend payments				£30,000	£30,000
Retained profit/loss	£12,219	£20,878	£34,970	£12,742	£25,393

6.3 Asset lock

The constitution of FC United contains a statutory asset lock which cannot be removed by members' resolution and which restricts the ability of the society to use or deal with its assets other than for the benefit of the community. In particular:

- the only payments which can be made to members are the value of withdrawable share capital or interest on withdrawable share capital
- the company's assets cannot be transferred except to another organisation whose assets are similarly protected.

This means that the value of the club's assets, including its interest in the stadium is secured for community benefit and cannot be 'demutualised' or cashed in. This reflects the club's commitment to its purpose and the basis on which the Capital Funding Shares are being issued.

6.4 Tax relief benefit

Our share issue has been given advance approval by the HMRC Enterprise Investment Scheme (EIS). Subject to personal circumstances this allows individuals to claim tax relief of up to 30 per cent on the amount that they purchase in the share scheme. Benefits will depend on personal circumstances and you should seek professional advice. However, this is a potentially very significant benefit to those buying shares as you may be able to claim £150 back for every £500 shares bought.

7. Contingencies and risks

This document contains certain forward-looking statements that are subject to certain risks and uncertainties, in particular statements regarding the Society's plans, goals and prospects. The Society's actual results and operations could differ materially from those anticipated in such forward looking statements as a result of many factors including the risks faced by the Society which are described in this section and elsewhere in this document.

These statements and the assumptions that underlie them are based on the current expectations of the Board and are subject to a number of factors, many of which are beyond their control. As a result, there can be no assurance that actual results will not differ materially from those described in this document.

7.1 Offer timetable

The offer period will be from November 1, 2011, to December 31, 2011. The Board of FC United may close the offer before this date or extend the offer beyond it.

7.2 Development timetable

Given that Planning Permission is now secured, the timetable for development is dependent on securing other funding and finalising lease and licence agreements. There are three potential scenarios:

Scenario 1 – Best Case: Lease agreement with Manchester City Council, planning permission and all funding secured by March 2012. Build starts March 2012, completion November 2012. Trading commences November 2012.

Scenario 2 – Medium case: Lease agreement with Manchester City Council, planning permission and funding secured late Spring 2012. Build starts Summer 2012, completion Spring 2013. Trading commences Spring/Summer 2013.

Scenario 3 - Worst Case: Failure to secure lease agreement and/or funding. In these circumstances the project does not proceed and the funds raised will be dealt with as set out in the section overleaf headed “Provisions”.

7.3 Risks

There are a number of risks associated with the development of the project. They are set out as follows with suggested mitigation/comment:

- i.** Failure to agree a lease with MCC and MJFC. Highly unlikely given close working relationship, existing commitments and existing Heads of Terms agreements.
- ii.** Legal challenge to the project. All provision possible has been made to avoid this and any challenge may delay but is unlikely to prevent the project proceeding.
- iii.** Funding targets are not met. Potential to delay start of project and pursue alternative funds.
- iv.** Costs over run. Unlikely given close costing of project to date. Construction costs will be confirmed following tender process by the end of November 2011

There are also risks for those buying shares in the ongoing operation of the development once constructed:

- 5.** The running costs of the stadium being higher than anticipated and in excess of those budgeted and/or the projected uplift in revenue from the stadium project does not materialise. The Business Plan has been estimated on a very conservative basis and is based on extensive knowledge and research of similar operations.
- 6.** A failure to deliver the community benefit outputs. The club has an extensive track record of delivery of community benefit and we have in place several checks and balances to ensure that community benefit on this site is a priority and is regularly evaluated.

7.4 Provisions

Funds raised via the share issue will be held in an Escrow Account until sufficient capital has been raised and other conditions have been met for the project to proceed. Funds will not be transferred into the club until the project can go ahead.

If lease, funding targets or other conditions are not met by March 31, 2013, and the project is delayed, refunds from the Escrow Account will be available should investors wish. These will be subject to an administrative charge of 5 per cent. Progress reports to all those supporting the development will be issued as and when appropriate.

8. Board and development team

8.1 FCUM Board

The board of FC United is democratically elected by the members. It is served by Andy Walsh (General Manager) who is in overall charge of the project and Lindsey Howard (Club Secretary). The Board of FC United has extensive expertise within its ranks. and members are:

- Dr Adam Brown - Director, Substance social research company
- Alan Hargrave - Head Teacher, Gorse Hill Primary School, Manchester (retired)
- Martin Morris - Corporate Account Manager for a global contact centre software company
- Steve Pagnam - Co-director, European Tubes Ltd
- Phil Sheeran - General Manager, Cardiff International Arena
- Mike Sherrard - FSA registered Independent Financial Adviser, Sherrard Financial Management
- Julian Spencer - Senior Advice Worker, Rochdale Borough Council
- Alison Watt - Operations Manager, SHOT (serious Hazards of Transfusion), NHS Blood and Transplant
- Rob Nugent - Finance Manager, ANS Group
- Chris Hammond - Prince's Trust TEAM Programme Manager - North West
- Paul Farrell - MD of McGarry Memorials (Manchester) Ltd

8.2 Project Board

Adam Brown and Andy Walsh sit on the stadium Project Board along with FC United members Barbara Mcloughlin and Dominic Sagar. The design team working with the Project Board includes professional expertise as follows:

- Frank Whittle Partnership: Rob Hughes, Nick Wiley, Daniel Thompson
- Taylor Young: Alan Simpson, Stephen Hughes
- Scott Hughes Partnership, Ian Scott Hughes, Kris Clark
- Ludlam Associates: Kath Ludlam
- BCM Consulting: Brian Morris, Andy Ringland, Ryan Began
- Singleton Clamp: Jim Budd

9. Supporting Documents

A number of supporting documents (including all those specifically mentioned in this document) are available at www.fc-utd.co.uk or on application to Lindsey Howard at the club. These include:

- Summary Business and Community Use Plan
- Guide to Buying Community Shares
- Planning application documents

Application for FC United community shares

Terms on which payments are made

1. Payments will be held in an Escrow Account operated by Cobbetts LLP in the name of FC United until sufficient capital has been raised for the project to proceed in accordance with the funding targets set out in the offer document. The Board of FC United will decide when targets have been reached. At that point, funds from the Escrow Account will be transferred to purchase community shares and share certificates will be issued by FC United.

2. Sums paid into the Escrow Account will not be returned to applicants for shares unless:

2.1. the Board of FC United has not decided before 31 December 2012 that the project can proceed; or

2.2. the Board of FC United decides before that date that the project cannot proceed.

In either of those circumstances funds paid into the Escrow Account from applicants for community shares will be returned to them subject to an administrative charge of 5 per cent.

3. The information provided in application forms will be dealt with in accordance with data protection legislation and will not be disclosed to any third party except for the purpose of running the Escrow Account; for preventing crime; to the police, if required by law; to any relevant regulatory authority, if required by law; or with the permission of the person concerned.

4. Applications will be processed in the order in which they are received and may be accepted or rejected at the absolute discretion of the Board of FC United. Any application rejected will be returned to the applicant together with a cheque for application monies received without interest.

5. By completing and delivering an application form you, as the applicant:

5.1. offer to acquire the number of capital funding shares in FC United specified in the form on the terms and subject to the conditions set out here and in the offer document and subject to the Rules of FC United;

5.2. confirm that in making the application you are not relying on any information or representation other than those contained in the offer document and this application form and agree that no person shall have any liability in connection with your application for any information or representation not contained in the offer document and application form.

6. The Escrow Account will be an interest bearing account. Except where this document says otherwise, interest earned on the account will be for the benefit of the party to whom the money in the account is paid or repaid in proportion to the payments or repayments made.

7. Cobbetts LLP shall have no duties or responsibilities other than those expressly set out in this document and shall not be liable for any action taken or not taken by it or FC United, provided it acts in good faith and in the exercise of its own best judgment.

8. If any issue arises Cobbetts LLP may apply to court for directions without requiring any prior consent and the directions of the court shall be binding on FC United and on applicants for shares in FC United to the maximum extent permitted by law.

Application form

Please complete the following form. By signing it you confirm that you have read the offer document and accept the terms set out there and on the previous page to this.

When you have completed and signed the form please send it to:
Janet Lindsay, Cobbetts LLP, 58 Mosley Street, Manchester M2 3HZ.

- If you **HAVE ALREADY APPLIED** to buy shares in response to the previous offer document, you agree by signing this form that the money you have paid is to be used to buy shares on the basis of this offer document.
- If you **HAVE NOT PREVIOUSLY APPLIED OR IF YOU WISH TO BUY ADDITIONAL SHARES** you must either enclose a cheque for the value of shares you wish to buy or make a bank transfer to the Cobbetts LLP Client Account, the details for which are: [Lloyds TSB Bank Plc, Cobbetts Client Account. Sort Code 30-95-42 Account No 04577689](#)

Please quote your name and reference **FC3.1** so that your payment can easily be linked to your application for shares.

Your payment must come from a UK clearing bank account in your name and, to comply with anti-money-laundering laws and regulations, you must complete this form with your full name, address and date of birth.

By signing this form you agree to us using this information to carry out an electronic identity check and to provide any other information we require to carry out our obligations.

Full Name

Address
.....
.....

Date of birth

Telephone

Email

Payment method (please tick one option). Cheque Bank transfer

We aim to provide as cost efficient a service as possible for members and we aim to protect the environment. For these reasons our preferred method of communication is via email. Tick this box if you do not wish to receive information by email

continued over >

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Application form continued...

Are you an existing member of FC United of Manchester?

Yes Membership number:

No

If no, please confirm that you wish to join as a member by ticking this box. (If you do not, you cannot invest in the share scheme)

In addition to your payment for Community Shares you must pay an annual additional membership fee (currently £12) to become a member. Your membership fee will be paid over to FC United and will not be subject to the arrangements for the Escrow Account.

OPTION 1: IF YOU HAVE MADE A PREVIOUS APPLICATION

I have previously applied to buy shares. I wish the money I paid with that application to be used to buy shares on the basis of the new offer document.

I do not wish to buy additional shares

I do wish to buy additional shares

Further payment (if applicable) £

I am not a member and need also to pay £12 annual membership fee

Further payment (if applicable) £

Signed..... Date.....

OPTION 2: IF YOU HAVE NOT MADE A PREVIOUS APPLICATION

I have not previously applied to buy shares and would like to buy the following value of shares (minimum £200):

I am not a member and need also to pay £12 annual membership fee

Total payment £

Signed Date