

## **Proposal from The Working Group to The PTFC Trust Trustees**

What follows is the proposal arising from the working group consideration and consultation over recent weeks. This is provided for you to consider as a trustee group, and we look forward to hearing of the conclusions of your deliberations. Thank you for giving us the opportunity to provide this to you for consideration.

Firstly, an explainer of abbreviations :

TJF – TJF 1876 Limited t/a The Jags Foundation

PTFC - The Partick Thistle Football Club Limited

The Jags Trust – The Partick Thistle Football Supporters Association t/a The Jags Trust

### **The Background**

- . The shares rest in the Trust; it will be expensive and impractical to now move those.
- . Two fans organisations already exist.
- . It is widely accepted that a trust (a vehicle for holding assets) is not the best vehicle for delivering dynamic fan ownership.
- . We believe there is a method to efficiently move from where we are to a unified position that recognises the best parts of what everyone has achieved and does not require re-invention of the wheel.
- . The unity has been apparent in recent weeks with TJF funding and co-crediting the Trust in various initiatives, and open lines of communication between both. TJF are looking forward and wish to pull everyone together; this is demonstrable by actions as much as words.

### **Our Proposed Solution**

Firstly, with regards to the Trust, we would suggest that the Trust Deed is varied in the following ways :

1. Add two corporate trustees, namely TJF, and The Jags Trust. (See below)
2. Recognising that the Trust becomes a passive holder of shares, which also protects the asset similar to a Holding company.
3. Redefine beneficiaries as season ticket holders, members of TJF, and members of The Jags Trust. At the same time, make a special interest member class in TJF by amending articles so democracy can be delivered to beneficiaries through existing infrastructures. In addition, with agreement of The Jags Trust, we can similarly add a membership class for their members if they wish on the same basis. The Jags Trust will also explore a 'beneficiaries' class in their articles.
4. Make provision for the current PTFC Trust trustees to step away at such time that they are confident and comfortable that everything is operating as it ought to. Therefore ultimately

the Trust would have two trustees, namely the two largest fans organisations, The Jags Trust, and The Jags Foundation. As both represent fans, we are confident all future trust decisions will be taken in unison (another great sign of the aligned fan base this would deliver) between the respective Boards at the time. However, in the event of a disagreement, this would be democratically decided by the fanbase by a polling of beneficiaries.

5. Add a clause to Trust deed that mirrors article 42 in the Articles of Association of TJF. Namely, compelling certain actions (selling stadium or part thereof) to require a beneficiary vote with 75% majority vote.

It is our view that the corporate trustees INCREASE protections, in that :

- . as trustees, there is a fiduciary duty to beneficiaries;
- . as corporate boards, there is a fiduciary duty to members;
- . as boards, there will be multiple democratic voices in the arriving at the view of either corporate trustee;
- . as trustees, there needs unanimity between the two fan organisations.

These are much greater levels of responsibility and co-operation that required by individual trustees.

Under this proposal, until such time as the Trustees are comfortable, they would of course remain in control with 5 votes, to the 2 of the fans organisations giving them continuing control until they see fit. So to be clear, there would initially be 7 trustees, reducing to 2. We believe from consultation that some fans will expect to see a backstop date for the existing trustees involvement. In recognition of co-operation and working together and the trust that is being built, TJF can commit to defend the need for there not to be a backstop date, on the basis that the thought is you will step away 'when comfortable'. It may make this less criticised though to have one, even if some considerable time into the future, and we make no demand on this but ask the trustees to consider the optics.

In respect of timing, we believe that the fans organisations should put their articles into order as soon as possible, and the trust deed should be amended on a similar timeline. It seems that the sensible way to populate the special interest membership classes of one or both organisations would be at season ticket renewal time, when renewers could be asked whether they wanted included in TJF, The Jags Trust, neither, or both.

TJF will fund the revision of the Trust Deed to adopt agreed changes.

### **Why These Fans Organisations?**

TJF currently :

- . Has funds
- . Is income-generating

- . Is engaged and has dialogue with members
- . Is the largest membership organisation in history of PTFC
- . Has transparency and democracy at its heart
- . Has the infrastructure to deliver what is required
- . Already has elections due for 2023; these could be expanded/altered to add further representation from other groups (we also have ability to co-opt under current articles a further 3 board members, perhaps from representative groups in this Working Group for example. As an example we can specify a specific Equality and Diversity Director elected separately and in a ringfenced way from the other Board positions.

To add another (competing) layer of democracy will, we believe be confusing to fans, will cause delays, and is unnecessary.

The Jags Trust similarly has much of the above, and the trust of a section of the support.

## **Conclusion**

We believe this solution :

1. Recognises PTFC Trust as the owner of the shares and the job the trustees have done delivering this.
2. Recognises The Jags Trust's importance in our history.
3. Recognises the weight of numbers of TJF, and its ability to deliver fundraising, democracy, engagement and dialogue, and a functioning infrastructure rapidly.
4. Binds everyone into truly working together, whilst allowing the Trustees time to evaluate that this is a solution which works for all.
5. Is unique to our set of circumstances, recognising the past, the current and the best chance for a unified future, but allows TJF and The Jags Trust to maintain their independence and individuality.
6. Brings collective responsibility, and representation of members to the heart of the Trust for the future, as it will not be represented by individuals but the boards which they elect. This will also provide stability.
7. Will need effective communication to the fanbase, and unified support by all parties being seen to pull together.