



PORTSMOUTH COMMUNITY FOOTBALL CLUB PST SHARE OFFER

— “ONE COMMUNITY, ONE CLUB” —



— ‘HELP REALISE OUR POTENTIAL BY INVESTING IN YOUR CLUB’ —

POMPEY ... THE BIGGEST COMMUNITY CLUB IN BRITAIN



Pompey supporters are invited to make a further investment that will secure the biggest and most exciting 'fan ownership' project in the United Kingdom.

Portsmouth Community Football Club (PCFC) is unique. It was the first club south of London to win the FA Cup in 1939 and the only club in the South to have won the league, twice, in 1949 and 1950. The first floodlit league match took place at Fratton Park in 1956 and the passion of the Pompey fans is renowned. On the 19th April 2013 that passion was rewarded by the fans owning the Club.

The community is already at the heart of PCFC. Our excellent, independently-run community scheme, under the banner of Pompey in the community, saw us elected Football League Community Club of the Year in 2012.

However, the next chapter in the club's rich 114-year history could be its most significant yet.

In short, Pompey are trailblazers for a growing model of football ownership which puts fans first. No club of Portsmouth's size and stature

has had the opportunity the Pompey Supporters' Trust has now.

We have created the biggest Community Club in Britain.

Pompey supporters across the world have started to show what we can all do when we own our Club. We have all fought for a Club that is transparent and accountable to its supporters, now we are in control of our own destiny and are making it happen.

The sacrifice we were always going to have to make was to raise the money required to free us from the vicious circle of debt that has crippled the Club.

PST, one year on is now a major shareholder, but we do need to convert the remaining deposits into shares; and are making this further share offer to raise money for projects including: -

- Equipping the new training ground for both the playing staff and the Academy
- Improving the playing surface at Fratton Park
- Increasing Fratton Park's capacity by improving and reopening the closed part of the North Stand
- Improving disabled access and viewing



FAIR PLAY ... THE NEW POMPEY WAY

We promised eight core values in our initial prospectus and a change in how the Club operated before we took over:

- The club would aspire to play at the highest level of competition possible
- The club will represent the City and the wider Pompey community with pride
- Our supporters are the club. They will feel valued
- The club will operate in an open and transparent way
- Member control and accountability
- The club will operate on sound financial principles
- The club will be an active and integral member of the community
- The club believes in fair play on and off the pitch





1 The club would aspire to play at the highest level of competition possible

The 2013-14 season was not an easy one. The PST Board Members on the Club Board have had to make a number of difficult decisions on the parting of the ways with initially, Guy Whittingham and then Richie Barker.

Neither decision was easy given the ethos which PST wishes the Club to have; but remaining in the Football League was a priority and our financial prudence should result in funds being available for a push towards League 1 next season.

2 The club will represent the City and the wider Pompey community with pride

The new Minister for Portsmouth, Secretary of State for Culture, Media and Sport and others have praised the efforts of Pompey Supporters Trust in working tirelessly to gain control of PCFC; and the "work of Pompey in the Community for helping to improve the lives of people in the local area..."

At the '1 Year On' event on 16 April 2014; it was announced that the PST would receive a Civic Award by Portsmouth City Council. The Leader of Portsmouth Council, speaking at the event, said: "The PST deserve this Civic Award as recognition of the achievement of the volunteers who have run the Trust and all the people that contributed to the survival of the club".

The News Sports Awards evening was held in the Victory suite on 20th March 2014 and our own Ken Malley, accompanied by Mick Williams, collected the 'Outstanding Contribution to Sport' award on behalf of 'Pompey Supporters Trust & the Fans' for their work to save Pompey, culminating in the Fans actually taking ownership.

Representatives of the PST have spoken to the Local Government Association at Fratton Park, have provided significant input to the Government Report on Football Governance and were invited to speak at a special conference convened by Glasgow Rangers Supporters Trust.

3 Our supporters are the club. They will feel valued

Season ticket prices have been held at the same level for the forthcoming season, having been cut for the first season PST was in control.

Replica shirts and other merchandise have been marketed at prices which it was hoped would stimulate sales through affordability as well as quality.

All catering and kiosk sales were immediately taken back in house and the pouring rights



contract renegotiated and in place for the start of the season.

The last season saw record takings at each bar and a number of our corporate hospitality places were reserved, resulting in a record number of regular patrons in the lounges. Many have told us that the catering is now the best it has ever been at Fratton Park.

At the turn of this year we appointed a new Catering and Banqueting Manager who has brought in a new permanent chef and we have reduced our dependency on agency staff. This has enabled us to increase training and to deliver a better match day experience.

This coming season we shall improve some of our catering equipment and a small investment will be made in new chairs and tables for some of the lounges. We shall also buy rather than rent match day equipment saving us money in the long term.

The Club is proud to use local produce wherever possible and to use local suppliers for our meats, vegetables and equipment.

Non match day hire of our lounges and facilities has reached a new level and Fratton Park stays 'alive' most days of the week bringing us additional profit centres. The Victory Lounge is now a recognised venue for Sports Dinners and Business gatherings.

Previous owners and two administrations meant a number of safety issues needed resolving at Fratton Park. Initial work carried out last summer afforded the Club a capacity of 18,200. Further works this summer will aim to get the capacity back up towards 20,000 for next season. The close season will also see the Fratton Park pitch relaid and the drainage replaced for the first time in over 20 years.

Works which started last season to improve match day facilities on the concourses, including installing TV screens, and improving catering kiosks and toilets, are ongoing. New viewing platforms and better facilities for disabled

supporters are also planned as part of the short term aims to make the best of the existing facilities we have at Fratton Park. Should the Tesco development gain planning approval in the summer, then the Club will stand to increase its land ownership by an additional 50% and providing a new Club owned car park behind the North Stand.

The Club has also recently announced a new training ground complex at Roko in Hilsea, which will see PCFC have its own purpose built training base in the city. This is seen by the Club as a legacy project, to not only assist the first team but also the Academy to benefit the Club going forwards. Longer term legacy projects in the early stages of planning are to extend and rebuild the ground to provide modern facilities, expand the capacity and provide corporate and conference facilities to increase use and income seven days a week.

The home and away support at Pompey is the envy of all other Clubs in League 1 and most of the Championship, let alone League 2. The Portsmouth (North) MP recently advised Parliament that "anyone who has played u knows the tenacity of our fans. They are trouper, and it was their faith, and the support of a few individuals who were prepared to risk a considerable amount, that meant that we were successful, that Pompey are still playing, and that the good guys won".

4

The club will operate in an open and transparent way

Portsmouth Football Club was described in the House of Commons as a catalyst for change; the Club's resolute approach to proper finance and governance was praised. The conclusion was: "The ordeal was worthwhile, and the club is now financially stable. There has been considerable investment in the grounds, and Portsmouth won their regional FA community club competition".

The wish for transparency and the need for commercial confidentiality has been the biggest test for the PST Board this first year.



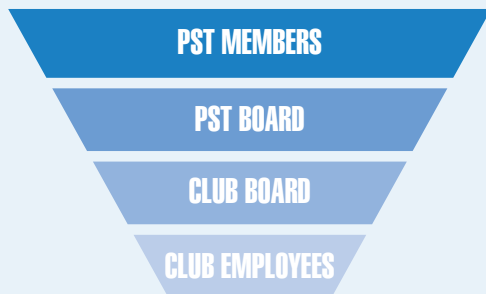


5

Member control and accountability

PST is the ideal ownership vehicle for the Club, because it is owned by its members, with membership open to all supporters of the Club.

The PST Board are elected by the membership and are all accountable to our members. Appointments of the three PST Club Directors on the Club Board are made by the PST Board and those Directors have been in attendance at every Club Board meeting to represent member's interests.



(i) A fair deal for investors and partners

In the initial period, over 2,000 supporters paid a deposit of £100; and then subsequently converted those deposits into a minimum share purchase of £1,000. This incredible support raised over £2.5 million and helped rescue the Club.

The shares in PST are presently sufficient to hold a major share for supporters in Portsmouth Community Football Club; and we have recognised those individuals that purchased shares by introducing benefits at the Club.

(ii) Presidents

To enable the ownership to be in the hands of the supporters we are very grateful to have the financial support of Pompey supporters willing to invest in excess of £50,000, known as Presidents. The Presidents have invested directly into Portsmouth Community Football Club Ltd, three of whom sit on the main board.

(iii) Transparency

The ONE MEMBER ONE VOTE ethos remains within PST.

All PST members will be provided with a financial summary ahead of the PST's Annual Public Meeting and will be invited to attend.

Throughout the year members will be updated on various items connected with the Club, including how the Club is performing.

6 The club will operate on sound financial principles

The benefactor model was ruinous for Portsmouth Football Club and the health of the game, because we were living beyond our means. Quite simply football clubs cannot continue to spend more money than they generate. Although we had notable highs like the trips to Wembley and the F.A. Cup win in 2008; the accumulated losses we made in the recent ownerships left us in League 2, put Fratton Park at risk and tested the goodwill for the Club from the community to its limits.

The only way that PCFC can survive in the long term is by becoming sustainable.

Although the playing side has been disappointing at times; the match day experience has improved significantly since 19th April 2013 and the Club's financial performance has significantly improved.

More detailed financial information will be available on our website soon.

7 The club will be an active and integral member of the community

Pompey in the Community is the main way in which the Club operates in the Community. For example, it works in partnership with individuals, groups and organisations on a local, national and international level. The club have been named Johnstone's Paint Community Club of the Year South-West for the production of the 'PUP' programme – a matchday programme that is designed and produced by kids, for kids and sold before every home game. Pompey have enjoyed previous success at the Football League Awards, taking home the Family Club of the Year in 2012.

8 The Club believes in fair play on and off the pitch

The Club subscribes to the sporting, moral and ethical principles set out in the Football Fair Play Code. The Club will defend these principles regardless of the influences and pressures, internal/external, to 'reinforce the sense of affiliation and cooperation among the members of the worldwide football family'. Fair Play means respect; and respect is part of our game. PCFC makes known its commitment to Play Fair: Play to win but accept defeat with dignity.

In summary, we need to consolidate the success of our first year as a fan owned club by converting goodwill and performance into more share capital.

This will strengthen the balance sheet of the Club and provide funding for the development of the new training ground and more. It will also reinforce the ownership structure so that we all know where we stand, and put us in an enviable position compared to many of our rivals on the pitch.

Above all our Directors on the Club Board are tasked with ensuring that reckless spending will not take place. All projects are to be properly costed and carried out to give proper value for money and to be affordable in the long term.



... WHAT ELSE DO I NEED TO KNOW?



You are investing in PST, a Community Benefit Society registered with the Financial Services Authority as Portsmouth Supporters Society Limited on 23rd December 2009 (registration number 30872 R).

The minimum share purchase is £1,000 and members can now invest up to a maximum shareholding of £100,000. As long as your share account remains at £1,000 or above you will not have to renew your membership of PST.

To make the scheme as accessible as possible, fans can buy a Community Share by paying for it by 10 monthly instalments or by making other monthly payments which will either pay for an individual

share in your name or be amalgamated with other fans' payments to purchase Community Shares.

When you have reached your £1,000 we will issue you with your share certificate.

Shareholders will automatically become members of the PST.

If you do not complete your planned payments, those you have made will be retained and used to purchase Community Shares.

- The offer will remain open until such time as the PST Board decide to close it



- Community Shares in PST will be issued immediately
- On the solvent dissolution or winding up of PST, holders of community shares in PST will have no financial entitlement beyond payment of outstanding interest approved by the Board and repayment of paid up share capital
- Community shares cannot be traded and they cannot go up in value but may go down if the Club incurs sustained losses.
- Previous audited accounts for PST can be viewed at www.pompeytrust.com
- 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. The money you pay for your shares is not safeguarded by any compensation; you could therefore lose some or all of the money you invest.
- A Community Benefit Society is registered with but not authorised by the Financial Conduct Authority and therefore the money you pay for your shares is not safeguarded by any depositor investment scheme or dispute resolution scheme.

We hope in the future that should you want to, your share purchase can be withdrawn and your investment repaid. However, given the challenges the club faces we must be clear that withdrawals may never be possible and will certainly not be allowed in the first 3 years following the launch of the scheme. In addition, no more than 5% of the total 'Community Share' capital in PST can be withdrawn in any one year.

After three years, requests to withdraw investments will be considered by the Board in the order of receipt in writing to the PST Secretary and only up to the maximum of 5% of the total share capital and only if PST can afford it.

Requests are subject to approval from the PST Board.

In the event that a member has less than the minimum £1,000 subscription of Community Shares and fails to renew their PST membership, their funds will remain invested in the scheme and cannot be withdrawn.

Withdrawals will otherwise be made possible through the continual investment of new participants and by building up the reserves of PST.

Since PST incorporated in 2009 the majority of income has come from fundraising and membership subscriptions, which have allowed reserves of £31,000 to be built up. Now that PST has responsibility as a major shareholder of the Club, income to build up reserves is likely to come from you and other investors. We hope that participants will continue to keep their money in PST but by building up these reserves it does show a potential exit route should an investor want to leave, subject to the agreement of the PST Board and outside of the 3 year lock-in period.

To participate in the scheme you need to become a member of Pompey Supporters Trust (PST). Given that lifetime membership of PST is provided to all individuals that invest and maintain a minimum investment of £1,000 in community shares, if you are not already a member you will become one if your application for shares is successful.

There is an expectation that investors will remain members of PST whilst holding community shares.

Membership of PST remains open to individuals who do not purchase Community Shares.

Community Shares do not contain additional voting rights, so the one member one vote ethos of PST will always remain. The full rights and responsibilities of members is laid out in the rules of PST which can be viewed at www.pompeytrust.com. These are currently under review at the request of Members.

If your query is not covered above then please refer to the FAQ at www.communitypompey.co.uk. If your query is not covered by the FAQ and you would like to discuss further then please email info@pompeytrust.com. We aim to respond to your query as soon as possible.



BENEFITS ...



The overriding benefit is a collective one, that together we retain control of our football club.

Alongside that aim we offer a number of benefits to reward supporters who invest between £1,000 and £100,000 through shares in PST, these include;

- Discounted season ticket scheme for 2014-15 season
- Exclusive shareholder pin badge
- Your name inscribed in an exclusive 'wall of fame' to be erected at Fratton Park this season
- Frameable, individually numbered share certificate
- Discount on function room hire at the club
- Exclusive Pre-season 'open day' at Fratton Park for all investors, including meet the players, PST team and Club Management Team
- Free tours of Fratton Park
- Free lifetime membership of PST

OUR PARTNERS...

Supporters Direct

Supporters Direct was formed in 2000 as an initiative of the UK Government. Its goal is to 'promote sustainable spectator sports clubs based on supporters' involvement and community ownership'.



Taylor Cocks

Taylor Cocks is an Accountancy Age 'Top 100' firm of chartered accountants and chartered tax advisers who specialise in the provision of bespoke high quality accountancy and taxation solutions.

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chartered tax advisers

Jobsite

Jobsite is delighted to extend it's sponsorship to Pompey Supporters' Trust as well as PCFC. Fans are the lifeblood of any brand and Jobsite recognises how loyal and committed Pompey fans are to their club. We recognise the importance of community ownership to Pompey football club's past and future, and are proud to be part of both.

jobsite





APPLICATION FORM ...

You must sign and return this form to accompany any payment.

Your full name:

Your address:

..... **Post code**

Your telephone number:

Your email address:

PST membership number:

If You're not already a member please sign here to accept the terms of membership

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(the rules of PST can be viewed online at www.pompeytrust.com)

INVESTMENT OPTIONS

Please complete the steps below to purchase your shares:-



OPTION 1: OUTRIGHT PURCHASE OF SHARE

Step 1: Please indicate the amount of money that you wish to invest £1,000 ☐

Other value please state.....

Step 2: Please complete the application form

Step 3: Payment details:

Please make cheques payable to Portsmouth Supporters’ Trust or make electronic transfers to:-

TSB BANK PLC

PST Charity Account: 16936360 **Sort Code:** 30-64-12

Please note that all payments must be accompanied by a signed copy of this application form. No cash payments will be accepted.

Step 4: Please return the application form to PST Community Shares, c/o The Study Centre, Rodney Road, Fratton, Hampshire, PO4 8TB



OPTION 2: PAYING BY INSTALMENTS

You have option to purchase a £1000 Community share by paying 10 equal instalments of £100, by standing order.

To take up this option please follow the steps below.

STEP 1: Please complete the application form

STEP 2: Please enclose a copy of photographic ID (e.g. passport or drivers licence) and a recent utility bill to confirm your address. This is to comply with UK law.

STEP 3: Please fill in the Standing Order Mandate below, cut out and return with the application form and your ID to:-

PST Community Shares, c/o The Study Centre, Rodney Road, Fratton, Hampshire, PO4 8TB



STANDING ORDER MANDATE

Please pay ten (10) monthly instalments of £100 (One Hundred Pounds) commencing on the first day of the following calendar month and debit my account on thest/th day of the month thereafter to :-

PST Charity Account: 16936360 **Sort Code:** 30-64-12

Name & Address of Bank:

.....

.....

Account Name:

Sort Code: **Account Number:**

Signed:

Date:



