



YCST SGM: SOME KEY QUESTIONS AND ANSWERS

THE PROPOSAL

For the Trust Board to complete the arrangements summarised in the letter to Trust members such that, in overview, Jason McGill / J M Packaging will provide certain commitments for the future funding and management of York City in return for the transfer of the Trust's 25% ownership stake except for one Trust Share with special rights.

1. What is the proposal to the Trust's members?

The Trust's members can vote for the arrangements for Jason McGill / J M Packaging to provide certain commitments for the future funding and management of York City FC in return for the transfer of the Trust's 25% ownership stake, except for one share with special rights. The vote at the Trust SGM is to decide whether or not to transfer the shares in return for Jason McGill's future funding for York City FC.

2. Why does Jason McGill want the shares?

The key reasons for the proposal are set out on pages 4 and 5 of the SGM letter. In addition, the Trust has invited Jason McGill to provide a statement to supporters about his motivations for the share transfer and his future intentions for York City FC. Jason McGill has previously indicated that he wants the transfer of the Trust's shares as an expression of members' appreciation and gratitude for his past and proposed future financial support and commitment to York City FC, including helping to ensure the club will have the long-term security of the new Community Stadium.

3. What will happen if the majority vote against the proposal?

If the proposal is not approved by the Trust's members, then the future funding, ownership and management of York City FC will be uncertain.

Jason McGill / JM Packaging have indicated that they will not provide any further funding to the football club, which may result in a cash shortfall for the 2017/18 and 2018/19 seasons. Jason McGill has said that it may be possible to seek outside investment to enable the football club to continue trading, which may involve sale of J.M Packaging's interest in York City Football Club to another party. The Trust Board has no specific information about

interested parties and Jason McGill has confirmed to the Board that to his knowledge there are no interested parties.

4. What will happen to the 2006 agreements?

When the Trust membership approved the takeover by Jason McGill / JM Packaging in 2006, there were numerous special conditions attaching to the Trust's 25% of shares including seats on the football club board, limits to the loans to be made by JM Packaging and various clauses about the sale of Bootham Crescent. These special conditions were written into around 80 pages of legal agreements. If a majority vote in favour of the proposal, these 2006 agreements will be revised and superseded by new arrangements effective from 2018. As set out in the SGM letter, some of the Trust's special conditions will be retained and some will be relinquished.

5. Can Jason McGill / JM Packaging make a profit from the sale of Bootham Crescent?

As part of the proposed legal arrangements, Jason McGill has committed to restricting any payments from York City FC to JMP from the sale of Bootham Crescent to be no more than the aggregate amount actually contributed by JMP to York City FC since 2006 (i.e. Jason McGill will fulfil his previous pledge that he will not receive back any more money than he has contributed to York City FC since 2006). In addition, the legal agreements will commit to utilising any excess proceeds from the sale of Bootham Crescent for the benefit of York City FC.

6. What's the Trust board's view about the proposal to members?

The Trust board recognises it is for the members to decide whether to vote in favour or against the proposal and has not made a specific recommendation on how members should vote. The Trust Board believes that the SGM letter sets out an accurate, fair and objective assessment of the advantages and disadvantages of the proposal based on the available information. As required by the Trust's rules, the Board is committed to carrying out the wishes of the membership.

YORK CITY SUPPORTERS TRUST BOARD
February 2018