RUGBY FOOTBALL UNION
75 YEAR DEBENTURES

THIS IS AN IMPORTANT DOCUMENT CONTAINING DETAILS OF AN OFFER TO SUBSCRIBE FOR DEBENTURES IN THE RUGBY FOOTBALL UNION

This document is a restricted offer of unsecured securities being made by the Rugby Football Union, an Industrial and Provident Society, to existing debenture holders only. Accordingly, this is not a public offer of securities and this document does not constitute a prospectus to which the Prospectus Rules of the Financial Services Authority apply and nor does it constitute a communication to which the financial promotion restriction applies under the Financial Services and Markets Act 2000.

The purpose of this issue of 75 year debentures is to raise long-term capital, the proceeds of which will be used to finance the next stage of development of Twickenham Stadium.

The Terms and Conditions of the offer are attached and the information contained therein is to the best of the knowledge and belief of the Board of Directors of the Rugby Football Union in accordance with the facts and does not omit anything likely to affect the importance of such information.

Investment in debentures of the Rugby Football Union may be regarded as speculative and carry a degree of risk with the value of the debentures liable to fluctuate due to demand. If you are in any doubt as to the contents of this document or action you should take, you should seek your own personal financial advice from a qualified adviser authorised to do so under the Financial Services and Markets Act 2000.

RUGBY FOOTBALL UNION

Terms and Conditions of Issue of 75 year non-interest bearing Debentures

Pursuant to Rule 4.2 of the Rules of the Rugby Football Union and a Resolution of the Board of Directors

1. DEFINITIONS AND INTERPRETATION

In these terms and conditions the following words shall have the following meanings:-
"Benefits" shall mean the benefits described in Clause 12 below
"Benefits Period" shall mean, in respect of an Individual Debenture the period commencing 1 September 2013 and expiring 31 August 2023, and in respect of a Business Debenture the period commencing 1 September 2013 and expiring 31 August 2028
"Board of Directors" shall mean the Board of Directors from time to time of the RFU
"Business" shall mean a trade profession or employment and includes any activity whether carried on by a sole trader or a body of persons whether corporate or unincorporated
"Business Debenture" shall mean a 75 year debenture with a 15 year Benefits Period and with a nominal value of £15,000 and on and subject to the Terms and Conditions
"Certificate" shall mean a debenture certificate issued to a Registered Holder
"Club Member" shall mean a member of a Member of the RFU
"Debentures" shall mean and refer to both the Individual Debentures and Business Debentures or such of them as the context may require
"Early Redemption Charge" an early redemption charge, being an amount which represents in the opinion of the RFU the amount of any losses, costs and expenses (including without limitation legal fees) incurred by the RFU together with any administration costs of early redemption, as a result of the circumstances giving rise to the right to redeem the Debenture early as described in Clauses 9.1, 9.2 or 12.6
"Individual Debenture"shall mean a 75 year debenture with a 10 year Benefits Period and with a nominal value of £7,500 and on and subject to the Terms and Conditions
"Member(s) of the RFU" shall mean Constituent Bodies and Clubs which are or whose nominees are members of the RFU as defined by Rule 5 of the Rules of the RFU
"Person" includes an individual, firm, body corporate, association or partnership
"Price" shall mean the nominal value of a Debenture as set out in Clause 2.4
"Received" shall mean actual receipt by the RFU of a valid RFU Application Form in accordance with the terms of the RFU Application Form and the Terms and Conditions (including Appendix A) and which is subsequently accepted by the RFU. In the event of any dispute as to the date of receipt of a RFU Application Form, the decision of the RFU shall be final and binding
"Register" shall mean the Register of the holders of Debentures maintained by the RFU pursuant to Clause 7 below
"Registered Holder" shall mean the person specified in the Register as the holder of the Debenture and shall include the legal personal representative of a deceased Registered Holder
"The RFU" shall mean the Rugby Football Union
"Rules of the RFU" shall mean the Rules of the RFU for the time being
"Term" shall mean the period commencing 1 September 2013 and ending 31 August 2088
"Terms and Conditions" shall mean these terms and conditions
"Ticket Conditions" shall mean such conditions of issue of tickets for Twickenham as the RFU may from time to time stipulate
"Twickenham" shall mean the RFU's Twickenham stadium and ground

2. ISSUE AND CLASS DESCRIPTION

2.1 The Debentures are issued pursuant to a resolution of the Board of Directors. All Debentures issued will be subject to these Terms and Conditions, to which each Registered Holder of Debentures shall be subject to and bound by.
2.2 The Debentures comprised in this issue are non-interest bearing and each debenture is effective from 1 September 2013 and subject to Clause 10 below is repayable at par on 31 August 2088.
2.3 The Debentures are subdivided into 2 classes as follows:-
2.3.1 Individual Debentures ; and
2.3.2 Business Debentures .
2.4 The nominal value of the Debentures is as follows:
2.4.1 Individual Debentures: £7,500; and
2.4.2 Business Debentures: £15,000.

3. SECURITY

The Debentures are unsecured. Registered Holders will not be entitled to any charge over or interest in any property or funds of the RFU but are solely entitled to the benefits specified or referred to herein. Their right to the repayment of the nominal value of the Debenture at the end of the Term will be enforceable only against the property and funds of the RFU as unsecured creditors and not against any Member or Official of the RFU personally.

4. RANKING

The Debentures comprised in this issue shall rank pari passu with regard to voting and repayment and without any priority as between one another.

5. ALLOCATION QUALIFICATIONS

5.1 Applicants for Individual Debentures must be individuals and application for the issue of Individual Debentures can only be submitted by or on behalf of the applicant personally and not by or on behalf of or as a nominee or trustee for a Business. Applicants for Individual Debentures shall confirm that they have read and understand the provisions of Clause 9 hereof. The RFU reserves the right in its absolute discretion to determine whether an applicant for Individual Debentures is an individual applying for the same personally within the provisions of this clause.
5.2 All applicants for Debentures other than individuals as defined in Clause 5 hereof may only apply for Business Debentures.
5.3 The maximum number of Debentures for which each applicant may apply shall be limited to the number of 75 Year Debentures (2003 Series) presently held by the applicant or such other greater number or numbers as the RFU may in its absolute discretion prescribe.
5.4 The allocation of each Debenture is conditional upon the Registered Holder (or in the case of Business Debentures either the Registered Holder or the Registered Holder's nominee) being at the date of such allocation and at all times during the Benefits Period a Member of the RFU or a Club Member.

6. APPLICATIONS FOR AND ALLOCATION OF DEBENTURES

6.1 Applications for both classes of Debentures must be made in accordance with the application procedure set out in Appendix A Part 1

6.2 The allocation of Debentures will be made by the RFU to successful applicants in accordance with the allocation procedure set out in Appendix A Part 2

7. REGISTER OF HOLDERS

7.1 The RFU shall maintain a register of holders of the Debentures comprised in this issue containing the names and addresses of the Registered Holders and particulars of the Debentures held by them and, in the case of Debentures whose Registered Holder (or in the case of Business Debentures the Registered Holder's Nominee) qualifies for holding a Debenture by virtue of being a Club Member, the Member of the RFU that the Registered Holder (or in the case of Business Debentures the Registered Holder's nominee) is a member of.
7.2 Each Debenture shall be registered in the name of one person.
7.3 Following issue of the allocation letter and on payment of the Price strictly in accordance with these terms and conditions the RFU shall enter the name of the applicant in the Register and shall issue a Certificate in respect of the Debenture(s) so allocated to the Registered Holder.
7.4 Any change of name or address on the part of any Registered Holder shall forthwith be notified to the RFU, together with such documentary evidence as the RFU may require. The RFU will update the Register following receipt of such information.
7.5 The RFU will treat the Registered Holder as the absolute owner of the Debenture and subject to Clause 7.6 hereof shall not be bound to take notice of or see to the execution of any trust whether express implied or constructive to which the Debenture may be subject and the receipt of the Registered Holder shall be a good discharge to the RFU notwithstanding any notice it may have whether express or otherwise of the right title interest or claim of any other person to or in the Debenture.
7.6 The personal representatives of a deceased Registered Holder shall (subject to production to the RFU of the grant of probate or representation for the estate of the Registered Holder) alone be recognised by the RFU in place of the Registered Holder.

8. TRANSFER OF DEBENTURES

8.1 Debentures shall only be issued to, and held by and (within the discretion of the RFU) transferred to Registered Holders who are (or in the case of Business Debentures whose nominee is) Members of the RFU and Club Members and may only be transferred in accordance with the following terms:-
(a) The Registered Holder shall complete and deliver to the RFU a transfer form (in the form prescribed by the RFU from time to time) including the details of the Registered Holder or Club Member to whom the Debenture is to be transferred, accompanied by the Certificate, together with such evidence as the RFU may reasonably require to evidence title to the Debenture, the fact that the transferee is a Member of the RFU or a Club Member and that the Debenture is not being transferred to an intermediary or other person who is acting as a broker or dealer in Debentures.
(b) The RFU shall have the right in its sole discretion to approve or not approve the transfer. If the transfer is approved the RFU will countersign the transfer form, cancel the old Certificate and issue a new Certificate to the transferee. If the transfer is not approved the RFU will return the Certificate to the Registered Holder submitting the same.
8.2 Save as expressly permitted by these Terms and Conditions no Registered Holder may assign, transfer, charge, mortgage or otherwise dispose of or grant any interest or encumbrance over any Debenture or part of any Debenture.

9. REDEMPTION

9.1 If the Registered Holder shall at any time during the Term go into liquidation, have a receiver (whether administrative, Law of Property Act 1925 or otherwise) appointed or an administration order made in respect of it or, being an individual, shall become or be adjudicated bankrupt or have a receiver as aforesaid appointed in respect of his property the RFU may in its absolute discretion forthwith redeem such Debenture by repayment to the Registered Holder of the nominal value thereof less any Early Redemption Charge and the Benefits attached to such Debenture shall cease forthwith.
9.2 If:-
(i) as determined by the RFU, the Benefits are abused (which expression shall include but not be limited to the use of Individual Debentures for Business purposes or other financial gain); or
(ii) seats allocated to the Registered Holder are occupied by persons of whose conduct the RFU has complained to the Registered Holder; or
(iii) there is a breach of the Ticket Conditions and/or of the Terms and Conditions (including but not limited to the payment of all or any instalment of the Price);
the RFU reserves the right in its absolute discretion
(a) to make or withhold allocation of Debentures; and
(b) to withhold the issue of tickets for one or more matches; or

(c) in cases of gross abuse of the Benefits or persistent breach of the Ticket Conditions and/or the Terms and Conditions forthwith to withhold the Benefits for such period as the RFU may in its sole discretion determine and/or at the RFU's option redeem a Debenture by repayment to the Registered Holder of the nominal value thereof less any Early Redemption Charge and the Benefits attached to such Debenture shall cease forthwith.

10. REPAYMENT

The Debentures comprised in this issue shall become immediately repayable:
10.1 on such date or dates as the RFU may in its absolute discretion prescribe and notify to the relevant Registered Holder in writing, or
10.2 on an effective resolution being passed by the Members of the RFU to discontinue its activities or to wind-up its affairs.

11. REPLACEMENT CERTIFICATES

If a Certificate is worn out defaced or lost it may be renewed on payment of such reasonable amount and on such terms as to identity, indemnity and expense incurred by the RFU in investigating title as the RFU thinks fit and in the case of the replacement of a Certificate which is worn out or defaced, subject to the surrender to the RFU of the original before the issue of the replacement.

12. BENEFITS

12.1 The Registered Holder of a Debenture shall have the benefit exercisable only during the Benefits Period to purchase one seat ticket for each Debenture held and, in the case of Registered Holders whose 75 Year Debentures (2003 Series) carry an entitlement to car parking, one car park ticket for every four Debentures held provided that a minimum of four Debentures are held throughout the Benefits Period, in each case on payment of the price and upon the Ticket Conditions and all other terms and conditions from time to time applicable on the occasion of each Rugby Union Football match played at Twickenham which is organised and controlled by the RFU and such other benefits as the RFU may from time to time prescribe.
12.2 The allocation of seats to Registered Holders will be made by the RFU at its absolute discretion and may be changed from time to time during the Benefits Period but without in any way fettering such discretion the RFU will endeavour to offer Registered Holders the same seat throughout the Benefits Period for all England International matches played at Twickenham organised and controlled by the RFU. For all other matches to which the Benefits apply the RFU may offer Registered Holders an alternative seat elsewhere at Twickenham.
12.3 The RFU does not make or give and no employee or official of the RFU has any authority to make or give any representation condition or warranty regarding the number or frequency of RFU controlled Rugby Union Football Matches comprised in the Benefits at Twickenham in any Rugby Football Season during the Benefits Period and any such representation condition or warranty is hereby excluded. For the avoidance of doubt, nothing in this Debenture gives any rights to tickets for any Rugby Union Match or other event held at Twickenham for which the RFU does not own the rights.
12.4 The Registered Holder shall:-
12.4.1 on request by the RFU forthwith establish with the Registered Holder's bankers a direct debit mandate in favour of the RFU and shall not during the Benefits Period without the prior consent in writing of the RFU discontinue such direct debit mandate; and
12.4.2 on payment of the price ruling for the time being by direct debit, be entitled to the Benefits during the Benefits Period provided that if application in full compliance with the Ticket Conditions and payment for tickets forming part of the Benefits have not been received by the RFU on or before the date specified by the RFU from time to time relating to the Rugby Football Season in respect of which the application is made the RFU may offer the said ticket/s for sale in accordance with the Rules of the RFU.
12.5 If upon expiry of the Benefits Period the RFU determines to make a further issue of Debentures whether in whole or in part providing ticket benefits comparable to the Benefits the RFU will afford to Registered Holders a priority right to apply for the same upon the terms and conditions then prescribed by the RFU.
12.6 If at any time during the Benefits Period the Registered Holder fails when requested by the RFU so to do to give confirmation that the Registered Holder (or in the case of Business Debentures the Registered Holder's nominee) is a Member of the RFU or a Club Member the RFU may in its absolute discretion withhold the issue of tickets until such confirmation is forthcoming or forthwith redeem such Debenture by repayment to the Registered Holder of the nominal value thereof less any Early Redemption Charge and the Benefits attached to such Debenture shall cease forthwith.

13. FORCE MAJEURE

13.1 In these terms and conditions, "force majeure" shall mean any cause preventing the RFU from performing any or all of its obligations which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the RFU including without limitation strikes, lock-outs or other industrial disputes (whether involving the workforce of the RFU or of any other party), act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, or storm or default of suppliers or sub-contractors.
13.2 If the RFU is prevented or delayed in the performance of any of its obligations under these terms and conditions by force majeure, it shall have no liability in respect of the performance of such of its obligations as are prevented by the force majeure events during the continuation of such events, and for such time after they cease as the RFU shall in its sole discretion consider necessary.

14. VARIATION OF CONDITIONS

14.1 Any of the rights conferred on the Registered Holders may at any time be varied or abrogated by the RFU with the consent in writing of 75% in value of each of the subdivided classes of the Debentures in this issue for the time being outstanding and any variation so made shall be binding on all the Registered Holders each of whom shall on the request of the RFU surrender his Certificate(s) to the RFU in order that the RFU may endorse a memorandum on it or them.
14.2 These Terms and Conditions may be varied by a resolution of the Management Board where such change is necessary or desirable in order to comply with any applicable legal or regulatory requirement.

15. NOTICES

A notice sent through the post in a prepaid letter addressed to the Registered Holder at the address of such Registered Holder contained in the Register from time to time shall be deemed due service of such notice on such Registered Holder and shall be deemed to have been served three days after the same is posted.

16. GOVERNING LAW

The Debentures are subject to and shall be construed in accordance with the laws of England and Wales and the parties subscribe to the jurisdiction of the English Courts.

17. THIRD PARTY RIGHTS

A person who is not an applicant for a Debenture or a Registered Holder may not enforce any of the terms of this Debenture offer or the rights conferred by any Debenture and each applicant and Registered Owner agrees that the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Debenture offer and/or the Debentures.

To apply for a debenture or debentures on the terms described above, please complete the application form and return it to the RFU at:
Ticket Office (Debentures)
RFU Ticket Office
Rugby Football Union
200 Whitton Road
Twickenham
Middlesex TW2 7BA

Telephone: 0871 222 2017
Facsimile: 020 8831 6670

October 2012

APPENDIX A

PART 1 PROCEDURE FOR APPLICATIONS FOR DEBENTURES

1.1 Applications for both classes of Debentures must be made on or before 01 February 2013 (or such later date as the RFU shall in its absolute discretion prescribe) on the official RFU Application Form signed by, or in the case of Business Debentures on behalf of, the applicant and countersigned by an Official of a Member of the RFU and shall be accompanied by a cheque made payable to "Rugby Football Union" and crossed "Debenture Account" for a sum being:-
(a) in respect of applications for Individual Debentures:-
(i) the Price in respect of each Individual Debenture applied for
Or
(ii) a first instalment of the Price by way of deposit in respect of each Individual Debenture applied for of £2,000.
(b) In respect of applications for Business Debentures
(i) the Price in respect of each Business Debenture applied for
Or
(ii) a first instalment of the Price by way of deposit in respect of each Business Debenture applied for of £4,000
1.2 Failure to complete an application form properly may lead to rejection. Any application form accompanied by a cheque which is not met on first presentation will be rejected.

PART 2 PROCEDURE FOR ALLOCATION OF DEBENTURES

2.1 Allocation of Debentures will be made by the RFU and successful applicants will be notified by an allocation letter sent by ordinary post and unless the applicant has paid the Price in full the applicant will by cheque made payable as in paragraph 1.1 in Part 1 above:
(a) pay on or before 01 April 2013 a second instalment of the Price (accompanied by Part 2 of the allotment letter) amounting to the balance of the Price of:-
(i) in respect of each Individual Debenture applied for £2,750;
(ii) in respect of each Business Debenture applied for £5,500.
(b) pay on or before 01 June 2013 a third instalment of the Price (accompanied by Part 3 of the allotment letter) amounting to the balance of the Price of:-
(i) in respect of each Individual Debenture applied for £2,750;
(ii) in respect of each Business Debenture applied for £5,500.
2.2 In the event of any dispute as to eligibility for allocation of the Debentures or compliance with the Terms and Conditions (including this Appendix A) the decision of the RFU shall be final and binding.
2.3 The allocation letter referred to in paragraph 2.1 above shall specify the number of Debentures allocated to the applicant and, unless the applicant has paid the Price on application, the amount and date of payment of the subsequent instalments of the Price payable by the applicant.
2.4 Failure of the applicant to pay any instalment of the Price where applicable when the same becomes due will lead to forfeiture of the deposit and any previous instalment(s) paid in accordance with the provisions of paragraph 1.1 of Part 1 and/or paragraph 2.1 of Part 2 of this Appendix A as the case may be and the allocation letter sent to the applicant shall cease to be valid.