

Term Sheet
Norwich City Football Club
24 July 2024

#	Term	Proposal
1	Parties	<ul style="list-style-type: none"> Norwich City Football Club plc ("NCFC"). Edward Michael Spencer Wynn-Jones ("MW-J") and Delia Ann Smith ("DS") (together with their Investor Associates and Affiliates (each as defined in the shareholders' agreement dated 13 September 2022 as amended from time to time (the "Shareholders' Agreement")) and trusts holding or in control of issued ordinary shares (the "M&D Shareholders"). Norfolk FB Holdings, LLC ("Norfolk").
2	Legally Binding Term Sheet	<ul style="list-style-type: none"> This Term Sheet is intended to create legally binding and enforceable obligations on each of the Parties. To the extent applicable, each MW-J and DS agree to procure the other M&D Shareholders to take such actions or inactions to give effect to the terms of this Term Sheet as if they were a party to it. The Parties agree to work promptly and in good faith to document the terms agreed in this Term Sheet, including any other terms reasonably necessary or desirable to implement this Term Sheet. The Parties agree that the transactions and actions as set out in this Term Sheet, upon completion, are to be treated as effective from 1 January 2024.
3	Overview	<p>This Term Sheet sets out the agreed key terms for the following (collectively, the "Conversions"): </p> <ul style="list-style-type: none"> The conversion of Pre-2024 Accrued Interest (as defined in Section 8, below) into a new debt instrument, documented in the New PIK Loan (as defined in Section 10, below). The conversion of the Existing NCFC Debt (as defined in Section 7, below) into two new classes of non-voting preference shares (the "Class D Preference Shares" and the "Class E Preference Shares") of NCFC.
4	Conditions	<p>Except as expressly set forth herein, the Parties acknowledge that the implementation of all the steps described in this Term Sheet shall only happen after, and shall be conditional upon:</p> <ul style="list-style-type: none"> the UK Panel on Takeovers and Mergers (the "Panel") granting a Rule 9 waiver in relation to the Class D Preference Shares (such that no mandatory bid is required to be made by Norfolk on the subsequent conversions (if any) of Class D Preference Shares into ordinary shares), following an independent vote of the shareholders of NCFC approving such proposals ("Grant of Rule 9 Waiver"); and all other shareholder approvals required for the issue of the Class D Preference Shares and the Class E Preference Shares containing the rights set out in this Term Sheet having been received (including: to amend the articles of NCFC to, among other things, set out the rights of the Class D Preference Shares and the Class E Preference Shares, to grant the requisite authority to allot, and to disapply pre-

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		emption rights; and any class approvals required to the extent rights of classes of shareholders are varied) (the “ Corporate Shareholder Approvals ” and, together with the shareholder approvals required in connection with the Grant of Rule 9 Waiver, the “ Shareholder Approvals ”).
5	Timing	The Parties intend (and shall use reasonable endeavours to ensure) that the Conditions are satisfied by early September 2024. The proposed Conversions are to be implemented as provided for herein.
Definitions and Current Position		
6	Class C Preference Shares	The existence and status of the Class C Preference Shares of NCFC (i.e. the 10,000,000 Class C Preference Shares of NCFC with a conversion right to ordinary shares of NCFC equalling 10% of the outstanding ordinary shares of NCFC (on a fully diluted basis) at the time of conversion) will remain unaffected by the terms set out in this Term Sheet. The Class C Preference Shares are owned by Norfolk.
7	Existing NCFC Debt	The following agreements between NCFC and Norfolk represent debt currently owed by NCFC to Norfolk (which is equal to an amount of outstanding principal (excluding any interest) of \$73,403,321 as of June 30, 2024) (the “ Existing NCFC Debt ”): <ul style="list-style-type: none"> • Line of Credit dated 30 June 2023; and • Master Loan Note between Norfolk and NCFC dated 20 February 2024 and as amended from time to time.
8	Pre-2024 Accrued Interest	The amount of interest accrued (and unpaid) in respect of the Existing NCFC Debt up to and including 31 December 2023, such amount being \$3,993,046 (the “ Pre-2024 Accrued Interest ”).
9	2024 Accrued Interest	The amount of interest accrued (and unpaid) in respect of the Existing NCFC Debt from, and including, 1 January 2024 to, and including, 30 June 2024, such amount being \$3,835,705 (the “ 2024 Accrued Interest ”). The 2024 Accrued Interest shall remain as interest and shall continue to accrue at 11% per annum on the books of NCFC.
Proposed Conversions, to take place subject to the Conditions		
10	New PIK Loan	<ul style="list-style-type: none"> • A new PIK loan (the “New PIK Loan”) shall be on substantially the same terms as the Senior Unsecured Promissory Note dated 9 June 2023 (as amended from time to time) (the “Original Agreement”), noting the following specific terms: <ul style="list-style-type: none"> • Lender Norfolk • Borrower: NCFC • Principal amount: an amount equal to the Pre-2024 Accrued Interest. • Currency: USD. • Interest: 11% per annum (compounding monthly). • Maturity date: 1 March 2025. • The New PIK Loan shall be entered into simultaneously with the issuance of the Class D and Class E Preference Shares.
11	Class D Preference	<ul style="list-style-type: none"> • In consideration for the waiver and release to be granted by Norfolk to NCFC of any obligation in respect of the Existing NCFC Debt,

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	Shares and Class E Preference Shares	<p>NCFC shall issue Class D Preference Shares and the Class E Preference Shares to Norfolk.</p> <ul style="list-style-type: none"> The issuance of Class D Preference Shares and Class E Preference Shares to Norfolk shall be subject to the following terms and provisions: <ul style="list-style-type: none"> Number of shares: 2,465,165 Class D Preference Shares; 56,023,908 Class E Preference Shares. Maturity Date: There will be no maturity date associated the Class D Preference Shares or Class E Preference Shares. Nominal value: £1.00 per Class D Preference Shares and \$1.00 per Class E Preference Share. Cumulative Preferential Dividend: Subject to and following the approval of this Term Sheet by the Panel, the Board of Directors may determine by simple majority that the Class D Preference Shares and the Class E Preference Shares shall be entitled to a dividend of: <ul style="list-style-type: none"> From 1 January 2024 to 1 March 2025, 11% per annum on an initial total sum of: (i) in respect of the Class E Preference Shares, \$56,023,908 (the "Class E Principal Amount"; and (ii) in respect of the Class D Preference Shares, \$17,379,413 (the "Class D Principal Amount"; and each of the Class D Principal Amount and Class E Principal Amount, a "Relevant Principal Amount"; in each case, which shall compound monthly and is PIK. In respect of the relevant class of Preference Shares, the Relevant Principal Amount <i>plus</i> accrued but unpaid dividend thereon from time to time (whether before or after 1 March 2025) shall be "Relevant Aggregate Dividend and Principal". In respect of the relevant class of D or E Preference Shares on and from 1 March 2025, 11% per annum on the Relevant Aggregate Dividend and Principal as at 28 February 2025, which shall compound monthly and is PIK. Class D Preference Share Conversion: At any time (or times) on or following 1 March 2025 (the "First Conversion Date"), the holder of the Class D Preference Shares may, at its sole election, by notice to NCFC (a "Conversion Notice") convert any or all of the Class D Preference Shares it holds into ordinary shares of NCFC (on a one for one basis – i.e. one Class D Preference Share would convert into one ordinary share of NCFC of £1.00 each (the "Conversion Ratio"). On or following 1 March 2025, the M&D Shareholders shall also have the option to exercise a Conversion Notice, pursuant to which all Class D Preference Shares held by any person would be converted into ordinary shares, utilising the Conversion Ratio. <p>For any D Preference Shares which have not been subject to a Conversion Notice, such D Preference Shares shall continue to accrue dividend of 11% per annum (compounded monthly). On Conversion of one or more Class D Preference Shares into</p>

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		<p>ordinary shares, the accrued dividend on a Class D Preference Share shall either be settled by NCFC in cash or be converted to an interest-bearing note (at 11% per annum compounded monthly¹), as determined in the sole discretion of Norfolk.</p> <p>The holder of the Class D Preference Shares may exercise this Conversion right as many times as it elects on or following the First Conversion Date (subject to holding at least one Class D Preference Share).</p> <ul style="list-style-type: none"> • Class E Preference Shares: Under the terms of this Term Sheet, the Class E Preference Shares are not convertible into ordinary shares of NCFC (or any other NCFC issued share capital). Except as provided for herein, the Class E Preference Shares shall remain in place and continue to accrue a dividend as set forth herein. • Class D Preference Shares and Class E Preference Voting: The Class D Preference Shares and the Class E Preference Shares have no voting rights at a general meeting of NCFC, save for voting in respect of any variation of the class rights of the Class D Preference Shares and/or the Class E Preference Shares. • Priority: subject to the shareholder approval of each class of the relevant shares, Class D Preference Shares and Class E Preference Shares shall: <ul style="list-style-type: none"> • with respect to the 11% per annum dividend, be payable on: (a) any payment of dividends on ordinary shares, (b) upon a majority vote of the Board of Directors, (c) upon the sale of a majority interest in NCFC to a third party, or (d) upon the dissolution of NCFC. • on a winding up of NCFC, be entitled in priority to the ordinary shares and the Class C Preference Shares, to repayment of (an amount equal to an equivalent of \$7.05 per Class D Preference Share and \$1.00 per Class E Preference share plus any accrued but unpaid dividend). However, the Class D Preference Shares and Class E Preference Shares shall have no further or other right to share in the surplus assets of NCFC on a winding up beyond such entitlement. • Redemption: <ul style="list-style-type: none"> • In the event of the sale of a majority of voting interest in NCFC to a third party, Norfolk shall have the right (but not the obligation) to redeem all Class D Preference Shares and Class E outstanding Preference Shares for a cash payment. In the event the Class D Preference shares have not been converted, the cash payment to Norfolk from NCFC shall be the Relevant Aggregate Dividend and Principal. • In the event any Class D Preference shares have been converted, then the incremental value of such converted Class D Preference shares (at a conversion price of

¹ Note: calculated as interest on the basis of an initial sum of the \$7.05 value per Class D Preference Share.

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		\$7.05 per share) shall be deducted from the sum of the Relevant Aggregate Dividend and Principal and the accrued but unpaid dividend on such amount (the “Redemption Amount”). The Redemption Amount shall be paid to Norfolk within thirty (30) days of the relevant sale of a majority interest in NCFC to a third party.
12	M&D Shareholder Obligations	<ul style="list-style-type: none"> • Upon the approval by relevant shareholders of the Shareholder Approvals, Norfolk shall no longer be obligated to vote its shares in line with the M&D Shareholders and the provisions of the term sheet between the Parties dated 19 January 2023 (as amended on 9 June 2023) requiring that Norfolk so vote its shares until 19 January 2026 shall hereby be amended accordingly. • For such time until such number of the Class D Preference Shares are converted that Norfolk holds more than 50% of the ordinary shares, the M&D Shareholders hereby agree that they will not accept an “offer” (as such term is defined in the Takeover Code) from a third party for its ordinary shares unless such offer includes an offer for at least \$7.05 per Class D Preference Share, \$1 per Class E Preference Share and \$1 per Class C Preference Share, in each case, excluding any accrued dividend amounts. • In connection with the proposed issuance of the Class D Preference Shares and Class E Preference Shares, NCFC agrees to issue a circular to shareholders, approved by the Panel, to seek the Shareholder Approvals. The M&D Shareholders hereby agree to vote all of their ordinary shares in NCFC in favour of the resolutions seeking Corporate Shareholder Approvals (including disapplication of pre-emption rights and authority to allot in respect of the issuance of the Class D Preference Shares and to amend the articles). Notwithstanding the outcome of any such shareholder resolution, the M&D Shareholders shall agree to waive the benefit of any pre-emption rights in respect of the proposed issuance of the Class D Preference Shares and Class E Preference Shares and the ordinary shares of NCFC as a result of any issuance or conversion of Class D Preference Shares and Class E Preference Shares.
13	Board of Directors; Consent Rights and Other Management Matters	<ul style="list-style-type: none"> • Upon the approval by the relevant shareholders of the Shareholder Approvals: <ul style="list-style-type: none"> • subject his being willing to do so and his compliance with applicable laws and applicable NCFC rules and guidelines, Thomas Smith will continue in his position as a Director on the Board of Directors of NCFC as appointed by the M&D Shareholders following completion of the transactions envisaged by this Term Sheet; • each of MW-J and DS will, with effect from the approval by relevant shareholders of the Shareholder Approvals: (i) resign as Directors of NCFC; (ii) be appointed as “Life Presidents” of NCFC (which shall not be a board position (or observer role) and shall be an honorary title). Such title shall be personal to each of MW-J and DS, and shall not carry particular rights (other than as set out in this paragraph) or

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		<p>obligations on the holder and shall not entitle the holder of the title to represent or bind NCFC);</p> <ul style="list-style-type: none"> • Provided that either MW-J or DS is physically present, MW-J and/or DS will continue to have access rights to home fixtures as they currently enjoy, being 8 tickets per match (MW-J and/or DS + 6 guests) in the same seats that they currently enjoy (front row of the Directors' Box). Provided that either MW-J or DS is physically present, there shall be provision for MW-J and/or DS and up to 6 guests in the Directors' Dining Room as is the present custom, along with car parking provision for the same. Norfolk agrees to make commercially reasonable efforts to procure that MW-J and/or DS shall have access to certain away fixtures by arrangement with the Club during the Season. All such aforementioned access rights and benefits shall be personal to MW-J and DS and shall be non-transferable and non-inheritable; • Norfolk shall appoint one additional Director, such that its representation on the NCFC Board of Directors is a total of three Directors (Mark Attanasio, Richard Ressler and a third to be named) out of five (the other two being Zoe Webber and Thomas Smith). If and when Norfolk holds more than 50% of the ordinary shares of NCFC, it shall be entitled to make further changes to the board in its discretion (subject to the matters set out in this Section 13); and • the Shareholders' Agreement shall terminate entirely (and the Parties shall procure its termination), except that Norfolk shall have a right of first refusal for the transfer of any ordinary shares of NCFC from the M&D Shareholders (the "ROFR") and Norfolk shall have a reasonable approval right (such approval not to be unreasonably withheld) over the transfer by the M&D Shareholders of any of their shares of NCFC to a third party (the "Consent Right"). For the avoidance of doubt, neither the ROFR nor the Consent Right shall apply to any proposed transfer of shares by the M&D Shareholders to Thomas Smith (whether by inheritance or by other transfer).
14	Tax considerations	<ul style="list-style-type: none"> • On and following the execution of this Term Sheet, the Parties shall cooperate together, acting reasonably and in good faith to seek to address any tax concerns raised by Norfolk arising directly or indirectly from the conversion or change in its shareholding in NCFC, and any other matters referred to in this Term Sheet.
15	Costs	<ul style="list-style-type: none"> • Save as set out below, each Party shall pay its own fees and expenses incurred in connection with the transaction memorialized herein. • Norfolk's legal costs in negotiating and agreeing this Term Sheet and the long-form investment documentation will be paid by NCFC (plus VAT, if applicable). • The M&D Shareholders' reasonable and properly incurred and documented costs and expenses in negotiating and agreeing this Term Sheet and the subsequent documents to be prepared to give

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		effect to the matters set out in this Term Sheet (including legal costs) will be paid by NCFC (plus VAT and disbursements, if applicable) up to an aggregate cap of £75,000. For the avoidance of doubt any M&D Shareholders' costs and expenses that are not reasonably and properly incurred shall be borne by the M&D Shareholders.
16	Miscellaneous Provisions	<ul style="list-style-type: none"> The parties acknowledge that the matters set out in this Term Sheet may result in the increase of ordinary shares held by Norfolk. Each party confirms and agrees that to the extent inconsistent with the Shareholders' Agreement this Term Sheet shall prevail. The M&D Shareholders shall assign the receivable due from NCFC pursuant to the M&D Shareholder loan in the principal amount of £1,038,770 to Norfolk in exchange for a payment by Norfolk to the M&D Shareholders in the amount of £1,038,770. Any loans from Norfolk to NCFC after 30 June 2024, including the assigned loan mentioned in the preceding bullet point, shall be treated as interest bearing loans at a rate of 11% per annum, in accordance with the prior interest-bearing notes between the Parties. For clarity, the 2024 Accrued Interest shall remain as interest on the books of NCFC, accruing at 11% per annum. Norfolk's written consent, which consent may be granted or withheld in Norfolk's sole discretion, shall be required prior to NCFC entering into any third-party loan or financing under which such third party is granted priority or rights senior to Norfolk's Class D Preference Shares or Class E Preference shares. A person who is not a party to this Term Sheet has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any terms of this Term Sheet. This Term Sheet may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. The Parties may enter into this Term Sheet by executing any such counterpart. The provisions in clause 22 (<i>Arbitration</i>) and 23 (<i>Governing law and jurisdiction</i>) of the Shareholders' Agreement apply to this Term Sheet, except that references to the "Deed" shall be construed as references to this Term Sheet.

IN WITNESS WHEREOF, this Term Sheet has been delivered as a deed on the date set out on the first page of this Term Sheet.

EXECUTED

by **NORWICH CITY FOOTBALL CLUB PLC**
acting by:



Director

in the presence of:

Witness

Signature:

Name

Address:

.....
Occupation:

EXECUTED

by **EDWARD MICHAEL SPENCER WYNN-JONES**



in the presence of:

Witness

Signature:

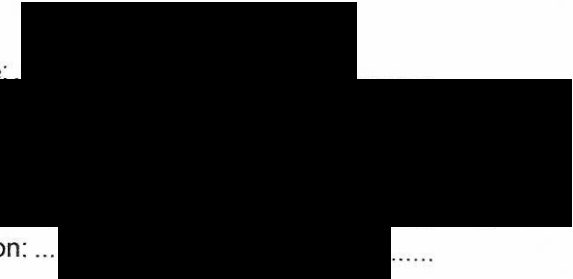
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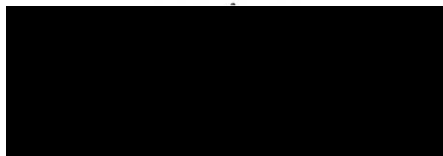
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Occupation: ...



EXECUTED
by **DELIA ANN SMITH**



in the presence of:

Witness

Signature:

Name:

Address: ...

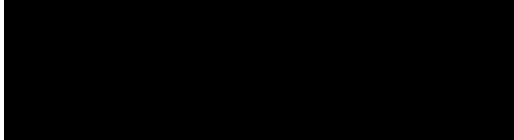
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Occupation

EXECUTED

by **NORFOLK FB HOLDINGS, LLC**

acting by **CANARY MANAGEMENT LLC,**

its sole manager



Name: Mark Attanasio

Title: Manager