

# Part 6: Closure of Resolution 12 to Celtic AGMS: 2013 to 2022

Just before Christmas 2022 Celtic announced a donation of £11,266 to The Celtic Foundation Christmas Appeal. This was the legal costs incurred by a group of Celtic small shareholders in pursuit of their Resolution 12 to the AGM of 2013 . It requested that UEFA establish if the licensing cycle process that granted a UEFA Licence to then Rangers FC PLC in 2011 had been applied as UEFA intended by the Scottish Football Association Licensing Committee.

The Celtic Christmas statement read:

*"Celtic FC Foundation are delighted to announce that we received a wonderful donation of £11,266 earlier this week thanks to the Club and a group of Celtic plc shareholders.*

*The group, who had come together a number of years ago to seek to address certain governance issues in Scottish football, engaged with the Club and worked independently over a number of years, with the objective of highlighting the value of continuing to evolve the governance rules underpinning Scottish Football and European Cup Competition.*

*The group of shareholders also privately funded legal costs in the process and the Club agreed in principle to make a contribution to these costs in recognition of the effort and funds that were committed.*

*Thankfully for Celtic FC Foundation, with the agreement of the Club, the shareholders have directed this contribution to Celtic FC Foundation's 2022 Christmas Appeal. We would therefore like to express our sincere thanks to all of those involved. We are exceptionally grateful for your wonderful support in helping us to 'Share the Magic' this festive season."*

What follows is an account of how and why Resolution 12 was brought to a close in the Celtic Way.

## **Background.**

It is important to remember that the only way small shareholders in Celtic were ever going to get answers to their concern about the SFA processing of the UEFA Licence granted to Rangers FC PLC in 2011 was via resolutions presented at the annual Celtic AGMs.

In 2013, when information started to emerge to suggest that an overdue payable to HMRC existed at least at the first UEFA monitoring point in June 2011, Celtic were asked by Resolution 12 to approach the UEFA Club Financial Control Body to investigate the process under which the licence had been granted and retained during the 2011/12 UEFA club licensing cycle.

The original focus was on June 2011 submission but this later shifted to the grant point of 31<sup>st</sup> March as further evidence emerged as result of shareholder representatives being able to seek answers of the SFA following agreement with Celtic, just before the 2013 AGM, to adjourn the resolution. This provided the opportunity to approach the SFA and later UEFA for answers.

The Resolution 12 shareholder representatives/requisitioners persisted in delving from 2014 and in 2019 presented another resolutions asking Celtic to take forward the issue as the SFA

were dragging their heels on the commitment in 2018 to investigate events via their Judicial Panel Disciplinary Tribunal Panel (JPDT) that limited itself to the June monitoring period in 2011 avoiding the real issue of the circumstances at the time when the licence was granted.

In **May 2020** the SFA dropped that JPDT enquiry which led to another resolution drawn up during lockdown that was initially rejected by Celtic but took the form of a statement from shareholders and a response from the Board in their AGM papers that Celtic :

***“ will engage with the relevant authorities as appropriate in the interests of the Company, providing an update when possible. In the circumstances, therefore, the Board considers the resolution to be unnecessary and recommends that you vote against it.”***

This in effect passed the responsibility to seek answers from small shareholders to Celtic but in the absence of news of progress on that front, during 2021 some members of The Celtic Supporters Trust raised a Note of Concern detailing areas of concern, including Celtic's apparent inaction since previous Celtic AGM in 2020 to engage with SFA/UEFA. CST members voted to support this Note of Concern at a CST Zoom meeting .

However, in their wisdom the CST Board, without consulting their members, sanitised the resolution their members had agreed to months before the 2021 AGM and it was at this point it became apparent the AGM process, the rails on which the Res12 train had travelled for 8 years, had become derailed and there was no point small shareholders taking back responsibility from the CST or Celtic for pursuing what the original Resolution sought from 2013 as a device to bring about SFA reform if it could be shown they had failed to carry out their club licensing duties with integrity.

In effect Resolution 12 came to a close after the 2021 AGM as an issue to be pursued using the AGM process.

### **Unexpected Events from November 2021.**

In November 2021 around AGM time and out of the green one of the shareholder representatives was invited to meet Celtic's Company Secretary at the behest of Celtic CEO Michael Nicholson. This is a record of what took place thereafter.

*Basically, the club agreed to reimburse the financial contributions that private shareholders made towards the legal fees paid to the solicitors who took their Res 12 concerns directly to the SFA and UEFA.*

*Folk might recall that the SFA ultimately brought charges against RFC but decided not to pursue those charges with the Court of Arbitration for sport because “It was not expedient to do so”.*

*In the midst of a flurry of earlier correspondence the SFA attempted to direct shareholders to take matters up with a UEFA employee who might have been able to answer our enquiries.*

*Without warning anyone, the shareholders decided to ignore that advice and through their solicitors went straight to a chap by the name of Andrea Traverso instead.*

*He was, at the time, the head of UEFA Club Licensing and is now the Managing Director of Financial Sustainability Regulations (FSR) and as such it is he who is in charge of the new FSR regulations and monitoring scheme which has been implemented by UEFA to oversee the activities of clubs and **confirm that National Associations are complying with the new Regulations as UEFA intend.***

*Traverso has implemented a quiet revolution at UEFA and has set up a new innovation unit to steer things for the future.*

*To engage at the right level with both the SFA and UEFA, shareholders had to engage a national firm of solicitors with no conflict of interest (not an easy task at the time by any means) to carry out their instructions and conduct the necessary research and communications.*

*This came at a cost (£11,266 to be precise) and was funded by a number of shareholders (though the legal bill could have been far higher but was heavily discounted by the partner in charge – who incidentally was a fan of another club).*

*It had in the past been mooted to Celtic that any such verified and documented expense could be reimbursed by the club notwithstanding that, at times, the club itself might prefer to follow a different route, or be forced to take a different path as a result of being bound by SFA committee voting where the club have but one vote (Ref the expediency decision referred to above).*

*Accordingly, the Christmas week announcement to reimburse legal costs and the associated donation made to The Foundation was the culmination of almost 14 months of negotiations and discussions between shareholders and the then current board representatives..*

*The principal of reimbursement was established and agreed very quickly with shareholders representatives followed by a longer period to obtain agreement from funders or their representative on crowd funding that any reimbursement should be donated to the Foundation rather come back to individuals.*

*Further, The Foundation wanted to ensure that any such donation was used at a time and in a manner which did the most good and so the sum concerned was rolled into the Christmas Appeal and to help others during the cost of living crisis.*

*These things take time, a lot of discussion, a fair amount of document drafting and detailed consideration of exactly how to implement a plan that everyone agrees on.*

*Most of all it takes persistence, persistence and then some dogged persistence.*

*But you get there in the end and the true spirit of Celtic sees the neediest benefitting.*

*That is the Celtic Way in action.*

### **The Meanings Applied to Celtic Announcement.**

Folk will apply any meaning they choose to the reason to reimburse according to their core belief about those governing Celtic, however it is not stretching credibility too far to think the legal cost reimbursement contains an implicit apology for Celtic's public reluctance to take the 2013 AGM Resolution 12 to UEFA which caused shareholders and their representatives a lot of stress and unwelcome attention over the 8 years the issue lasted

It could be taken as a thank you for helping to enable the changes in the UEFA FSR that specifically address and strengthen regulations with regard to what UEFA intend in their Overdue Payables to tax authorities rule, as well as putting national associations generally and SFA specifically under closer scrutiny in respect of how they are now expected to process applications for a UEFA licence from all Scottish Clubs.

The manner in which Resolution 12 reached closure hardly suggests shareholders had been wrong from the outset. It suggest that those supporting Resolution were right. A breach of rules did take place and the rules had to be revised to prevent a repeat. As Traverso

explained [on 8th June 2016](#) , UEFA could not apply sanctions against the **new** club (RFC Ltd)/Company(RIFC PLC) as the club responsible for the breach no longer existed, but the rules did need reinforcing.

Traverso at UEFA was presented by the Res12 lawyers in [May 2016](#) and [September 2016](#) with sufficient information to suggest that their FFP rules had been circumvented in 2011 by Rangers FC PLC & the SFA. This correspondence along with hard evidence presented to The UEFA Integrity Unit in 2020 that a **payable**, not a **protentional liability** *under discussions* existed at 31st March 2011, would have helped the case for regulation change made by Celtic executives , who according to Celtic CEO Michael Nicholson in the 2022 AGM papers, played a significant part in the development of new UEFA FSR. It is also in keeping with The Boards response to Resolution 11 at 2020 AGM to engage with the relevant authorities (SFA/UEFA) as appropriate, UEFA being more appropriate than the SFA.

This positive outcome was too much for one blue tinged social media commentator/Res 12 stalker under the name Jas Boyd to accept. How the Celtic Christmas Foundation announcement was turned into fake news by him can be read at [Here](#) along with clarification of some of the mistruths and absurdities his final comments contain.

On a more general serious note it is prime example of pumping out fake news to lead followers, who want to believe a lie, away from the truth.