

Hearts to learn their fate on Monday



The Scottish Premier League board will meet at 9am on Monday to determine whether Hearts will face sanctions. This follows the news that majority shareholder Ūkio banko investicinė grupė (UBIG) had been listed on a Lithuanian government website of insolvent firms after reportedly declaring itself unable to meet its liabilities.

The SPL have spent the weekend consulting with lawyers to decide whether UBIG's action breaches Rule A6.12 which states: "...all references to a Club taking, suffering or being subject to an Insolvency Event and/or an Insolvency Process as well as including the owner and operator of a Club taking, suffering or being subject to an Insolvency Event and/or an Insolvency Process shall, if the Board so determines having regard to (i) the need to protect the integrity and continuity of the League; (ii) the reputation of the League; and (iii) the relationship between such owner and operator and the Group Undertaking concerned, also include any Group Undertaking of such an owner and operator taking, suffering or being subject to an Insolvency Event and/or an Insolvency Process."

Lawyers must first decide if UBIG's 79 per cent share equates to the company being designated the 'owner and operator' of Hearts, and then whether UBIG have indeed suffered an insolvency event, and if so, whether it occurred before the deadline for sanctions relating to the current season to be imposed.

The board can take a number of courses of action, but should they decide that this rule has been breached then Hearts would be deducted a third of their total points from last year,

rounded up, which totals 18 and would mean instant relegation to the Scottish Football League Division One.

Alternatively, should the board decide that UBIG's liquidation can be deemed 'not confirmed' until after the deadline, then Hearts could begin next season in the SPL, but with a points total that is minus a third of this season's tally, which currently stands at 43. This leaves the players in the farcical situation of knowing that a victory against Aberdeen at Pittodrie on Saturday could mean that they would start next season with minus 16 points rather than minus 15.

Hearts will argue that some form of court action is required to trigger an insolvency event in Scotland and the so far there do not appear to have been any court proceedings in Lithuania.

Another factor to be considered is the actual relationship between UBIG and Hearts , and the club will argue that they have been self-sufficient since early last year so have not benefited from the funding of an insolvent company this season.

Meanwhile, fans groups hope to make a formal bid to take over Hearts within the next few weeks and insists that events in Lithuania will not hamper their plans.