

Contact centre: 0300 500 0597
Email: mutual.societies@fca.org.uk

The Secretary
Sale Sports Club
Rookwood
Clarendon Crescent
Sale
M33 2DE

Our ref: 7685/APP/RE

1 January 2018

Dear Secretary

Registration of Sale Sports Club

Please find enclosed a certificate of registration attached to the society's registered rules.

The society's register number is 7685. Please quote this number when contacting us.

Annual Return

Your society will be required to submit an annual return (AR30) and accounts every year. The first annual return should cover the period from **1 January 2018** to **31 December 2018**.

The annual return and accounts must be submitted within 7 months of the end of the society's financial year.

Fees

Your society must pay an annual fee to us. The amount you pay is based on the total assets of the society (as disclosed in the annual return for the preceding year). Invoices are usually sent out in September.

More information

Visit <http://www.fca.org.uk/mutuals>. Or if you have any queries please email mutual.societies@fca.org.uk or phone 0300 500 0597.

Yours faithfully

Rebecca English
Mutuals Team

Form B
R/IP/RA/2



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CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

The FCA acknowledges the registration of the following society under the Co-operative and Community Benefit Societies Act 2014 as a **Community Benefit Society**:

Society name: **Sale Sports Club**

Registration number: **7685**

Registration date: **1 January 2018**



Co-operative and Community Benefit Societies Act 2014

Rules of

Sale Sports Club

NAME

1. The name of the society shall be Sale Sports Club.

REGISTERED OFFICE

2. The registered office of the society shall be at Rookwood, Clarendon Crescent, Sale M33 2DE.

INTERPRETATIONS

3. In these rules:

"Address" means a postal address or, for the purposes of electronic communication, a fax number, email address or telephone number for receiving text messages;

"the Act" refers to the Co-operative and Community Benefit Societies Act 2014 or any Act or Acts amending or in substitution of it or them for the time being in force;

"Auditor" means a person eligible for appointment as a company auditor under Part 42 of the Companies Act 2006;

"The Board of Directors" or "Board" means all those persons appointed to perform the duties of directors of the society;

"Board Meeting" includes, except where inconsistent with any legal obligation a physical meeting, a meeting held by electronic means and a meeting held by telephone;

"Charities Act" means the Charities Act 2011;

"Charity" has the meaning as set out in Section 1 of the Charities Act;

"Clear Days" in relation to the period of notice does not include the day on which the meeting is to be held and the day on which the notice is handed to someone or left at their Address, or the day on which it is sent, is in the process of being sent and is assumed to be delivered;

"Connected Person" means, in relation to a Director, a person with whom the Director shares a common interest such that s/he may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that Person, being either a member of the Director's family or household or a Person who is a business associate of the Director and does not include a company with which the Director's only connection is an interest consisting of not more than 1% of the voting rights;

"Director" means a director of the society and includes any person occupying the position of director, by whatever name called;

"Document" includes, unless otherwise stated, any document sent or supplied in electronic form;

"Electronic Means" shall include, for example, email, video links and secure authenticated website transactions;

"Employee" means anyone holding a contract of employment with the Society;

"**Extraordinary Resolution**" means, unless the context requires otherwise, those decisions requiring an Extraordinary Resolution as detailed under 'Resolutions' in these rules;

"**Founder Member**" means a subscriber to these rules for the purposes of registration;

"**Member**" has the meaning as detailed under 'Membership' in these rules;

"**Office Holder**" means a receiver, administrative receiver, liquidator, provisional liquidator or administrator of a Member of all or substantially all of the Member's assets;

"**Officer**" has the meaning as detailed under 'Officers' in these rules;

"**Person**" means, unless the context requires otherwise, a natural person, unincorporated body, firm, partnership, corporate body or the nominee of an unincorporated body, firm, partnership or corporate body;

"**Registrar**" means the Financial Conduct Authority (FCA) or any body that succeeds its function;

"**Regulations**" has the meaning as detailed under 'Regulations' in these rules;

"**Rules**" means these Rules;

"**Secretary**" means any person appointed to perform the duties of the Secretary of the society;

"**Society**" means the above named society;

"**Transferable**" means shares that are transferable to another Person who also qualifies for membership of the Society in accordance with these Rules;

"**Withdrawable**" means shares with the associated right for the Member to withdraw and receive in return the value of their shares from the Society;

"**Writing**" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied by Electronic Means or otherwise.

OBJECTS

4. The objects of the Society shall be for the benefit of inhabitants of the borough of Trafford and neighbouring areas of Greater Manchester and Cheshire:

(a) to promote community participation in healthy recreation by the provision of facilities for the playing of sports, including tennis, hockey, cricket, rugby, football;

(b) to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with a view to improving their conditions of life;

(c) the advancement of education, culture and the arts by the provision of facilities and cultural activity in the form of drama, lectures and workshops.

POWERS

5. The Society may do all such lawful things as may further the Society's objects and, in particular (but without limitation), may:

- (a) subject to Rules 84 to 89, employ people, agents and advisers;
 - (b) deposit or invest funds in accordance with the Act and the Charities Act;
 - (c) sell, lease or otherwise dispose of all or any part of the property belonging to the Society but only in accordance with the restrictions imposed by the Charities Act;
 - (d) establish or support any charities, associations or institutions formed for any of the charitable purposes included in the objects of this Society;
 - (e) establish or acquire subsidiary corporate bodies.
6. The Society may carry on any trade, industry or business for the benefit of the community which is in furtherance of its objects.

BORROWING

7. The Society shall have the power to borrow money from any person (including its Members) in order to further its objects providing that the amount outstanding at any one time shall not exceed £10,000,000.
8. The Society shall have the power to mortgage or charge any of its property, including the assets and undertakings of the Society, present and future, and to issue loan stock, debentures and other securities for money borrowed or for the performance of any contracts of the Society or its customers or Persons having dealings with the Society but only in accordance with the restrictions imposed by the Charities Act.
9. The rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a building society or local authority, shall not exceed 5% per annum or 2% above the Bank of England base rate at the commencement of the loan, whichever is the greater.
10. The Society may receive from any Person, donations or loans free of interest in order to further its objects but shall not receive money on deposit.

FINANCIAL SERVICES AND MARKETS ACT 2000 ACTIVITY

11. For the avoidance of doubt the Society shall not engage in any activity by virtue of any of these Rules that would require a permission from the Registrar to carry on that activity without first having applied for and obtained such permission.

INVESTMENT OF FUNDS

12. The Society may invest any part of its funds in any manner with the powers of a natural person in addition to the powers given by Section 27 of the Act.

MEMBERS

13. The first Members of the Society will be the Founder Members. The Board may at its discretion admit to membership any individual, corporate body or nominee of a unincorporated body, firm, partnership or corporate body who supports the objects of the Society who has paid or agreed to pay any subscription or other sum due in respect of membership for the time being in force. Membership of the Society shall be open to anyone on application regardless of sex, age, disability, ethnicity, nationality, sexual orientation, religion or other beliefs.

Applications for Membership

14. No natural person shall be admitted into membership of the Society unless they have attained the age of 16. All those wishing to become a Member must support the objects of the Society and complete an application for membership which shall include an application for at least one share in the Society. No member shall be admitted until their application has been made in the form prescribed by the Directors and approved by them.

15. A corporate body which is a Member shall by resolution of its governing body appoint a representative who may during the continuance of her/his appointment be entitled to exercise all such rights and powers as the corporate body would exercise if it were an individual person. Each such corporate body Member shall supply notification in Writing to the Society of its choice of representative.

Member Commitment

16. All Members agree to participate in general meetings and take an active interest in the operation and development of the Society and its business. Members have a duty to respect the confidential nature of the business decisions of the Society.

Termination of Membership

17. A Member shall cease to be a Member of the Society immediately that they:

- (a) Fail to hold the minimum shareholding; or
- (b) Fail to pay the annual subscription (if any) within 3 months of it falling due; or
- (c) Resign in Writing to the Secretary; or
- (d) Are expelled from membership in accordance with these Rules; or
- (e) Die, are wound up or go into liquidation.

Expulsion from Membership

18. A Member may be expelled for conduct prejudicial to the Society by a decision of not less than three-quarters of the Directors present and voting at a meeting of the Board of Directors called in accordance with these Rules, provided that the grounds for expulsion have been specified in the notices calling the meeting and that the Member whose expulsion is to be considered shall be given the opportunity to make representations to the meeting or, at the option of the Member, an individual who is there to represent them (who need not be a Member of the Society) has been allowed to make representations to the meeting.

19. If on due notice having been served the Member fails to attend the meeting the meeting may proceed in the Member's absence. No Member expelled from membership shall be re-admitted except by an Extraordinary Resolution.

PROCEEDINGS ON DEATH OR BANKRUPTCY OF A MEMBER

20. Upon a claim being made by:

- (a) The personal representative of a deceased Member; or
- (b) The trustee in bankruptcy of a Member who is bankrupt; or

(c) The Office Holder to any property in the Society belonging to such a Member, the Society shall transfer or pay property to which the Office Holder has become entitled as the Office Holder may direct them.

21. A Member may in accordance with the Act nominate any individual or individuals to whom any of her/his property in the Society at the time of her/his death shall be transferred, but such nomination shall only be valid to the extent of the amount for the time being allowed in the Act. On receiving a satisfactory proof of death of a Member who has made a nomination the Society shall, in accordance with the Act, either transfer or pay the full value of the property comprised in the nomination to the individual or individuals entitled thereunder.

SHARE CAPITAL

22. The shares of the Society shall be of the nominal value of £1 issued to Persons upon admission to membership of the Society. The shares shall be fully paid prior to issue, and shall be non-Transferable except on death or bankruptcy or (in the case of an unincorporated organisation or partnership), on a change of nominee(s) and only to the new nominee(s), nor Withdrawable, shall carry no right to interest, dividend or bonus, and shall be forfeited and cancelled on cessation of membership from whatever cause, and the amount paid up on such cancelled shares shall become the property of the Society. Each Member shall hold one share only in the Society.

GENERAL MEETINGS

23. The Society shall, within six months of the end of the financial year, hold a general meeting of the Members as its annual general meeting and shall specify the meeting as such in the notice calling it.

24. The business of an annual general meeting shall comprise, where appropriate:

- (a) The receipt of the accounts and balance sheet and of the reports of the Board and Auditor (if any);
- (b) The appointment of an Auditor, if required;
- (c) The election of the Board or the results of the election if held previously by ballot;
- (d) The application of profits;
- (e) The transaction of any other business included in the notice convening the meeting.

Calling a General Meeting

25. The Secretary, at the request of the Board of Directors may convene a general meeting of the Society. The purpose of the general meeting shall be stated in the notice of the meeting.

26. The Board of Directors upon an application signed by one-tenth of the total number of Members, or 100 Members, whichever is the lesser, delivered to the registered office of the Society, shall convene a general meeting. The purpose of the general meeting shall be stated in the application for and notice of the meeting. No business other than that stated in the notice of the meeting shall be conducted at the meeting.

27. If within one month from the date of the receipt of the application the Board have not convened a general meeting to be held within six weeks of the application, any three Members of the Society

acting on behalf of the signatories to the application may convene a general meeting, and shall be reimbursed by the Society for any costs incurred in convening such a meeting.

Notices

28. The Directors shall call the annual general meeting giving 14 Clear Days' notice to all Members. All other general meetings shall be convened with at least 14 Clear Days' notice but may be held at shorter notice if so agreed in Writing by 75% of the Members.

29. Notices of meetings shall either be given to Members personally or sent to them at their Address or alternatively, if so agreed by the Society in general meeting, notices of general meetings may be displayed conspicuously at the registered office and in all other places of business of the Society to which Members have access. Notices shall specify the date, time and place at which the meeting is to be held, and the business which is to be transacted at that meeting. A general meeting shall not transact any business other than that specified in the notices calling the meeting.

30. A notice sent to a Member's Address shall be deemed to have been duly served 48 hours after its posting. The accidental omission to send any notice to or the non-receipt of any notice by any Person entitled to receive notice shall not invalidate the proceedings at the meeting.

31. All notices shall specify the date, time and place of the meeting along with the general nature of business to be conducted and any proposed resolutions.

32. If the Society has appointed an Auditor in accordance with these Rules they shall be entitled to attend general meetings of the Society and to receive all notices of and communications relating to any general meeting which any Member of the Society is entitled to receive. The Auditor shall be entitled to be heard at any meeting on any part of the business of the meeting which is of proper concern to an Auditor.

Quorum

33. No business shall be transacted at a general meeting unless a quorum of Members is present which shall include those Members not present in Person. Unless amended by Extraordinary Resolution, a quorum shall be 3 Members or 10% of the membership, whichever is the greater.

Chairing General Meetings

34. The chairperson of the Society shall facilitate general meetings. If s/he is absent or unwilling to act at the time any meeting proceeds to business then the Members present shall choose one of their number to be the chairperson for that meeting.

Attendance and Speaking at General Meetings

35. A Member is able to exercise the right to speak at a general meeting and is deemed to be in attendance when that Person is in a position to communicate to all those attending the meeting.

36. The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it including by Electronic Means. In determining attendance at a general meeting, it is immaterial whether any two or more Members attending are in the same place as each other, provided that they are able to communicate with each other.

37. The chairperson of the meeting may permit other persons who are not Members of the Society to attend and speak at general meetings, without granting any voting rights.

Adjournment

38. If a quorum is not present within half an hour of the time the general meeting was due to commence, or if during a meeting a quorum ceases to be present, the chairperson must adjourn the meeting.

39. The chairperson of a general meeting may adjourn the meeting whilst a quorum is present if:

(a) The meeting consents to that adjournment; or

(b) It appears to the chairperson that an adjournment is necessary to protect the safety of any persons attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.

40. The chairperson must adjourn the meeting if directed to do so by the meeting.

41. When adjourning a meeting the chairperson must specify the date, time and place to which it will stand adjourned or that the meeting is to continue at a date, time and place to be fixed by the Directors.

42. If the meeting is adjourned for 14 days or more, at least 7 Clear Days' notice of the adjourned meeting shall be given in the same manner as the notice of the original meeting.

43. No business shall be transacted at an adjourned meeting other than business which could properly have been transacted at the meeting if the adjournment had not taken place.

Voting

44. Every Member present in person shall have one vote on any question to be decided in general meeting.

45. Questions arising at a meeting of the Members shall be resolved by a simple majority of votes, unless a higher majority is required by these Rules or by any law or enactment.

46. A resolution put to the vote at a general meeting shall be decided on a show of hands unless a paper ballot is demanded in accordance with these Rules. A declaration by the chairperson that a resolution has on a show of hands been carried or lost with an entry to that effect recorded in the minutes of the general meeting shall be conclusive evidence of the result. Proportions or numbers of votes in favour for or against need not be recorded.

47. In the case of an equality of votes, whether on a show of hands or a poll, the chairperson shall not have a second or casting vote and the resolution shall be deemed to have been lost.

Paper Ballot

48. A paper ballot on a resolution may be demanded before or on the declaration of the result of the show of hands by three Members at a general meeting.

49. If a paper ballot is duly demanded it shall be taken in such a manner as the chairperson directs, provided that no Member shall have more than one vote, and the result of the ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded.

50. The demand for a paper ballot shall not prevent the continuance of a meeting for the transaction of any other business than the question upon which a ballot has been demanded. The demand for a paper ballot may be withdrawn.

Resolutions at general meetings

51. Decisions at general meetings shall be made by passing resolutions:

(a) The following decisions must be made by Extraordinary Resolution:

(i) Decisions to expel Members;

(ii) Any amendment to the Society's Rules (to which Rule 106 applies);

(iii) The decision to wind up the Society.

(b) Decisions relating to the capacity of the Society as set out in Sections 43 and 44 of the Act must be dealt with by Special Resolution and decided in accordance with the requirements of the Act.

(c) All other decisions shall be made by ordinary resolution.

52. An Extraordinary Resolution is one passed by a majority of not less than 75% of votes cast at a general meeting and an ordinary resolution is one passed by a simple majority (51%) of votes cast. A Special Resolution is one passed by a majority of not less than 75% of votes cast in accordance with the requirements of the Act.

Written resolutions

53. Except where the Act or other statutory provision requires a resolution to be decided in a general meeting or a decision seeks the removal of a Director, a written resolution signed by a majority of those entitled to vote at a meeting (or, where required by these Rules or by any law or enactment, a greater majority) is as valid as a resolution actually passed at that meeting.

54. A written resolution may consist of several identical Documents signed by one or more Members and will be treated as passed on the date of the last signature required to reach the relevant majority.

DIRECTORS

55. The Society shall have a Board of Directors comprising not less than three Directors.

56. The initial Directors of the Society from registration until the first annual general meeting shall be appointed by the Founder Members.

57. Directors may not derive benefits from the Society other than as permitted in these Rules. Under no circumstances shall any Employee serve on the Board.

58. Only persons of the Society who are aged 18 years or more may serve on the Board of Directors.

59. Subject to Rule 61, the Board of Directors shall be elected by and from the Society's Members. The maximum number of Directors serving on the Board shall be determined by a general meeting of the Society from time to time.

Retirement Cycle

60. At the first annual general meeting all elected Directors shall stand down. At every subsequent annual general meeting one-third of the elected Directors, or if their number is not a multiple of three then the number nearest to one-third, shall retire from office. The Directors to retire shall be the Directors who have been longest in office since their last election. Where Directors have held office for the same amount of time the Directors to retire shall be decided by lot. A retiring Director shall be eligible for re-election.

Co-option of Directors

61. In addition the Board of Directors may co-opt up to two external independent Directors who need not be Members and are selected for their particular skills and/or experience. Such external independent Directors shall serve a fixed period determined by the Board of Directors at the time of the co-option, subject to a review at least every 12 months. External independent Directors may be removed from office at any time by a resolution of the Board of Directors.

62. The Board of Directors may at any time fill a casual vacancy on the Board by co-option. Co-opted individuals must be Members of the Society and will hold office as a Director only until the next annual general meeting.

63. At no time must the number of co-opted individuals comprise more than one-third of the Board of Directors.

Powers and Duties of the Board of Directors

64. The business of the Society shall be managed by the Board who may exercise all such powers of the Society as may be exercised and done by the Society and as are not by statute or by these Rules required to be exercised or done by the Society in general meeting.

65. All decisions made by a meeting of the Board of Directors or by any person acting as a Director shall remain valid even if it is later discovered that there was some defect in the Director's appointment or that the individual had previously been disqualified from acting as a Director or as a charity trustee.

66. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Society shall be signed, drawn, accepted, endorsed, or otherwise executed in such manner as the Board shall from time to time direct.

67. Without prejudice to its general powers, the Board may exercise all the powers of the Society to borrow money and to mortgage or charge its undertaking and property or any part of it and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Society or of any third party.

68. No Regulation made by the Society in general meeting shall invalidate any prior act of the Board which would have been valid had that Regulation not been made.

Delegation

69. Subject to these Rules, the Directors may delegate any of the powers which are conferred on them under these Rules to any Person or committee consisting of Members of the Society, by such means, to such an extent, in relation to such matters and on such terms and conditions as they think fit.

70. The Directors may specify that any such delegation may authorise further delegation of the powers by any Person to whom they are delegated.

71. The Directors may revoke any delegation in whole or in part or alter any terms and conditions.

Sub-Committees

72. A sub-committee to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Rules which govern the taking of decisions by Directors.

73. The Directors may make Regulations for all or any sub-committees, provided that such Regulations are not inconsistent with these Rules.

74. All acts and proceedings of any sub-committee must be fully and promptly reported to the Directors.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Calling a Meeting of the Board of Directors

75. Any Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Board of Directors by giving reasonable notice of the meeting to all Directors. Notice of any meeting of the Board of Directors must indicate the date, time and place of the meeting and, if the Directors participating in the meeting will not be in the same place, how they will communicate with each other. The Board may unanimously agree to hold a Board meeting at shorter notice.

Proceedings of a Meeting of the Board of Directors

76. The Board of Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

77. A Director is able to exercise the right to speak at a meeting of the Board of Directors and is deemed to be in attendance when that person is in a position to communicate to all those attending the meeting. The Directors may make whatever arrangements they consider appropriate to enable those attending a meeting of the Board of Directors to exercise their rights to speak or vote at it including by Electronic Means. In determining attendance at a meeting of the Board of Directors, it is immaterial whether any two or more Directors attending are in the same place as each other.

78. Questions arising at any meetings of the Board shall be decided by a majority of votes. In the case of an equality of votes the status quo shall be maintained and the Board of Directors may choose to refer the matter to a general meeting of the Society.

79. A written resolution, circulated to all Directors and signed by a simple majority (51%) of Directors, shall be valid and effective as if it had been passed at a Board meeting duly convened and held. A written resolution may consist of several identical Documents signed by one or more Directors.

80. The Board of Directors may, at its discretion, invite other persons to attend its meetings with or without speaking rights and without voting rights. Such attendees will not count toward the quorum.

Quorum

81. The quorum necessary for the transaction of business at a meeting of the Board of Directors shall be 50% of the Directors or 3 Directors, whichever is the greater and shall include those Directors not present in person.

82. If at any time the total number of Directors in office is less than the quorum required, the Directors are unable to take any decisions other than to appoint further Directors or to call a general meeting so as to enable the Members to appoint further Directors.

Chairing Board Meetings

83. The chairperson shall facilitate meetings of the Board of Directors. If s/he is absent or unwilling to act at the time any meeting proceeds to business then the Directors present shall choose one of their number to be the chairperson for that meeting.

CONFLICTS OF INTERESTS AND CONFLICTS OF LOYALTIES

Declaring Conflicts of Interest

84. A Director must declare the nature and extent of any interest, direct or indirect, which s/he has in a proposed transaction or arrangement which the Society or in any transaction or arrangement entered into by the Society which has not previously been declared. A Director must absent him/herself from any discussions of the Board in which it is possible that a conflict will arise between his/her duty to act solely in the interests of the Society and any personal interest (including but not limited to any personal financial interest).

Authorising Conflicts of Interest

85. If a conflict of interest arises for a Director because of a duty of loyalty owed to another Person (and for the purposes of this Rule only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a Director or to a Connected Person) the unconflicted Directors may authorise such a conflict of interest where the following conditions apply:

- (a) The conflicted Director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other Person;
- (b) The conflicted Director does not vote on any such matter and is not counted when considering whether a quorum of Directors is present at the meeting; and
- (c) The unconflicted Directors consider it is in the best interests of the Society to authorise the conflict of interests in the circumstances applying.

86. A Director who is a Member of the Society is permitted to be part of the quorum, speak and vote at any Directors' meeting on any matter to do with interest on shares, provided that they declare an interest on that agenda item and the Conflicts of Interest and Conflicts of Loyalties provisions in these Rules shall not apply.

Permitted benefits to Directors and Members

87. The property and funds of the Society must only be used for promoting the Objects and do not belong to the Members but:

- (a) Members who are not Directors or Connected Persons may be employed by or enter into contracts with the Society and receive reasonable and proper payment or expenses for goods and services supplied.
- (b) Subject to compliance with Rules 84 to 89, Members, Directors and Connected Persons may be paid interest at a reasonable rate on money lent to the Society.
- (c) Members, Directors and Connected Persons may be paid a reasonable rent or hiring fee for property or equipment let or hired to the Society.
- (d) Members, Directors and Connected Persons may receive benefits from the Society in their capacity as a Beneficiary.

88. A Director must not receive any payment of money or other material benefit (whether directly or indirectly) from the Society, except:

- (a) As permitted under Rule 89;
- (b) Reimbursement of reasonable out of pocket expenses actually incurred in running the Society;
- (c) The benefit of indemnity insurance as permitted by the Charities Act;
- (d) An indemnity in respect of any liabilities properly incurred in running the Society (including the costs of a successful defence to criminal proceedings); and
- (e) Where authorised by the court or the Act.

Payment for supply of goods and/or services

89. Any Director or Connected Person may enter into a written contract with the Society, as permitted by the Charities Act, to supply goods and/or services in return for a payment or other material benefit but only if:

- (a) The goods and/or services are actually required by the Society and the Directors decide that it is in the best interests of the Society to enter into such a contract;
- (b) The nature and level of the remuneration is no more than is reasonable in relation to the value of the goods and/or services and is set in accordance with Rules 84 to 89; and
- (c) No more than half of the Directors are parties to a contract in respect of goods and/or services in any financial year.

TERMINATION OF A DIRECTOR'S APPOINTMENT

90. A person ceases to be a Director of the Society as soon as:

- (a) That person is removed from office by a resolution of the Board of Directors, where the person is a co-opted Director appointed for their particular skills and/or experience;
- (b) Where that person is a Director by virtue of their membership of the Society, that person ceases to be a Member of the Society;
- (c) That person resigns from office in Writing to the Secretary, and such resignation has taken effect in accordance with its terms;
- (d) That person is removed from office by an ordinary resolution of the Society in general meeting, the notices for which specified that the question of the Director's removal was to be considered;
- (e) That person is prohibited from being a Director by law;
- (f) That person is disqualified from acting as a charity trustee by virtue of sections 178 and 179 of the Charities Act (or any statutory re-enactment or modification of those provisions);
- (g) That person fails to meet the fit and proper person test under the Finance Act 2010 and/or refuses to sign a declaration, as required by the Society, confirming that they are fit and proper person;
- (h) A bankruptcy order is made against that person;

(i) in the written opinion, given to the Society, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a Director and may remain so for more than three months.

OFFICERS

91. The Board shall elect from among their own number a chairperson and Secretary and such other Officers as they may from time to time decide. These Officers shall have such duties and rights as may be bestowed on them by the Board or by law and any Officer appointed may be removed by the Board. A serving Officer who is not re-elected to the Board at the annual general meeting shall nevertheless continue in office until the first Board meeting following the annual general meeting.

DISPUTES

92. In the event of a dispute between the Society or its Board and a Member of the Society or a former Member, such dispute shall be referred to an independent arbitrator whose appointment is acceptable to both parties to the dispute or in the absence of agreement to be nominated by the Secretary General of Co-operatives UK (or any role or body that succeeds to its function). The decision of such an arbitrator shall be binding. In the event that a dispute cannot, for whatever reason, be concluded by reference to an arbitrator, the matter may be referred to the county court (or in Scotland, to the sheriff). Any Person bringing a dispute must, if so required, deposit with the Society a reasonable sum (not exceeding £100) to be determined by the Board. The arbitrator will decide how the costs of the arbitration will be paid and what should be done with the deposit.

REGULATIONS

93. The Society in a general meeting, or the Board of Directors, may from time to time make, adopt and amend such Regulations in the form of bye-laws, standing orders, secondary rules or otherwise as they think fit for the management, conduct and regulation of the affairs of the Society and the proceedings and powers of the Board of Directors and sub-committees. Such Regulations (if any) shall be made available to Members. No Regulation shall be made which is inconsistent with these Rules or the Act. All Members of the Society and the Board of Directors shall be bound by such Regulations whether or not they have received a copy of them.

LIABILITY OF MEMBERS

94. The liability of a Member is limited to the amount of their shareholding.

APPLICATION OF PROFITS

95. The profits of the Society shall be applied solely towards the promotion of the Objects and do not belong to the Members.

AMALGAMATION, TRANSFER OF ENGAGEMENTS AND CONVERSION

96. The Society may, by special resolution passed in the way required by section 111 of the Act, amalgamate with, or transfer its engagements to another registered society subject to at least the same degree of restriction on the distribution of profits and assets as imposed on this Society by virtue of these Rules. The Society may also accept a transfer of engagements and assets by a resolution of the Board or by general meeting.

97. The Society may, by a special resolution passed in a way required by section 113 of the Act, amalgamate with, or transfer its engagements to, or convert to a company, subject to at least the same degree of restriction on the distribution of profits and assets as imposed on this Society by

virtue of these Rules. In relation to calling a general meeting for the purpose of such resolution, the following provisions shall apply:

- (a) The Society shall give to Members not less than two months' notice of the meeting;
- (b) Notice of the meeting shall be posted in a prominent place at the registered office and at all trading premises of the Society to which Members have access.;
- (c) The notice shall be accompanied by a separate statement setting out for Members:
 - (i) the reasons for the proposal;
 - (ii) whether the proposal has the support of the Board of the Society;
 - (iii) what alternative proposals have been considered, and whether they are viable;
 - (iv) details of the number of shares in the Society held by Members of the Board, and Persons connected with them;
 - (v) a recommendation by reputable independent financial advisors that the Members should support the proposal rather than any alternative proposal.
- (d) Where the separate statement is contained in another Document, information shall be provided in the notice specifying where Members can obtain a copy of the Document.

DISSOLUTION

98. The Society may be dissolved:

- (a) in accordance with section 119 of the Act by an instrument of dissolution;
- (b) in accordance with section 123 of the Act in pursuance of a winding up order or by a resolution made or passed as directed in regard to companies by the insolvency Act 1986; or
- (c) in accordance with section 125 of the Act, after administration and administrator issues a notice to dissolve the society without prior winding-up.

99. If on the winding up or dissolution of the Society any of its assets remain to be disposed of after its liabilities are satisfied, these assets shall not be distributed among the Members, but shall be transferred instead to some other charitable body or charitable bodies with objects similar to or compatible with those of the Society as may be recommended by the Directors and approved by the Members in general meeting.

ADMINISTRATIVE ARRANGEMENTS

Means of Communication

100. A Member may provide their consent to receive communications from the Society by Electronic Means.

101. A notice sent to a Director's Address shall be deemed to have been duly served 48 hours after its posting. A Director may agree with the Society that notices or Documents sent to her/him in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Seal

102. If the Society has a seal, it shall only be used by the authority of the Board of Directors acting on behalf of the Society. Every instrument to which the seal shall be attached shall be signed by a Director and countersigned by a second Director or the Secretary.

Registers

103. The Board of Directors shall ensure accurate registers are maintained which shall include a register of Members, a register of Directors and a register of Officers.

Register of Members

104. The Board shall ensure that the register is maintained in accordance with the Act and that the particulars required by the Act are available for inspection and accessible without the need to disclose other particulars contained in the register.

Register of Directors and Officers

105. The Society shall maintain a register of Directors and Officers which shall include the following particulars:

- (a) Name of the Director;
- (b) Address of the Director;
- (c) The date on which they assumed office;
- (d) The date on which they vacated office; and
- (e) The position held by a Director if s/he is also an Officer and the date on which the Director assumed and vacated his/her Officer position.

Amendments to Rules

106. Any of these Rules may be rescinded or amended or a new rule made by an Extraordinary Resolution passed either as a written resolution or at a general meeting called in accordance with these Rules. No amendment may be made to the Rules which shall cause the Society to cease to be a Charity in law. No amendment of Rules is valid until registered by the Registrar. When submitting the rule amendments for registration, the Secretary may at their sole discretion (and subject to the remainder of this Rule 106) accept any alterations required or suggested by the Registrar without reference back to a further general meeting of the Society.

Copies of the Society's Rules

107. A copy of these Rules and any amendments made to them shall be given free of charge to every Member upon admission to membership and shall be provided to any other Person on demand and on payment of the statutory fee chargeable for the time being in force.

Minutes

1080. The Society shall ensure that minutes are kept of all:

- (a) Proceedings at general meetings of the Society; and
- (b) Proceedings at meetings of the Board of Directors and its sub-committees which include names of the Directors present, decisions made and the reasons for those decisions.

Annual Return

109. Every year and within the period prescribed by the Act, the Secretary shall send the annual return in the prescribed form to the Registrar. The annual return shall be accompanied by:

- (a) A copy of the Auditor's report on the Society's accounts for the period covered by the annual return or a copy of such other report (if any) as is required by statute for such a period; and
- (b) A copy of each balance sheet made during that period and report of the Auditor or other appropriate person as required by statute on that balance sheet.

110. The Society shall on demand supply free of charge to any Member or any person with an interest in the funds of the Society a copy of the latest annual return together with a copy of the Auditor's report on the accounts and balance sheet contained in the annual return and the Auditor's Report (if any).

111. The Society shall at all times keep a copy of the latest balance sheet of the Society together with a copy of the corresponding Auditor's report (if any) hung up in a conspicuous place at the registered office and displayed on the Society's website (if any).

Audit

112. Unless the Society meets the criteria set out in section 83(2) of the Act or may disapply the audit requirement in accordance with section 84 of the Act, the Board shall in each financial year appoint an Auditor as required by section 83(1) of the Act, to audit the Society's accounts and balance sheet for the year. This provision also applies if the Society is in its first financial year.

113. The following persons shall not be appointed as Auditor of the Society:

- (a) An Officer or Employee;
- (b) A person who is a partner or employee of, or who employs, an Officer of the Society.

114. The Board may appoint an Auditor to fill a casual vacancy occurring between general meetings.

115. An Auditor for the preceding financial year shall be re-appointed as Auditor of the Society for the current financial year unless:

- (a) A decision has been made by the Board to appoint a different Auditor or expressly decided that s/he shall not be re-appointed; or
- (b) S/he has given notice in writing to the Secretary of her/his unwillingness to be re-appointed; or
- (c) S/he is ineligible for appointment as Auditor of the Society for the current financial year; or
- (d) S/he has ceased to act as Auditor of the Society by reason of incapacity.

116. Any ordinary resolution of a general meeting of the Society either to remove an Auditor from office or to appoint another person as Auditor shall not be effective unless notice of the proposed resolution has been given to the Society at least 28 days prior to the meeting at which the resolution is to be considered. At least 14 days' notice of such resolution must then be given to Members of the Society in the manner prescribed in these Rules and in Writing to the Auditor(s).

Social Accounting and Reporting

117. In addition to any financial accounts required by the Act, the Members may resolve to undertake an account of the activities of the Society which will endeavour to measure its social and environmental performance using whatever methodology the Members deem appropriate.

Following the completion of such an account the Society shall report any findings to its Members and other stakeholders.

Indemnity and Insurance



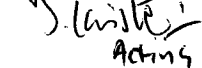
118. Subject to Rules 88 and 89, any Director or former Director of the Society may be indemnified out of the Society's assets against:

- (a) Any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Society;
- (b) Any liability incurred by that Director in connection with the activities of the Society;
- (c) Any other liability incurred by that Director as an Officer of the Society in defending themselves successfully against any criminal or civil proceedings for breach of duty.

119. The above rule does not authorise any indemnity which would be prohibited or rendered void by any provision of law.

120. The Directors may decide to purchase and maintain insurance, at the expense of the Society, for the benefit of any Director or former Director of the Society in respect of any loss or liability to the extent permitted by the Charities Act.

Signatures of Founder Members initials

- 1. 
- 2. 
- 3. 
Acting

Full Names of Founder Members in BLOCK CAPITALS (no initials)

- STEVEN ROBERT HODKINSON
- JOHN GRAVES
CLARE SR
- SUZANNE LAISTER
A

Signature of Secretary

- 1. 

Full Name of Secretary in BLOCK CAPITALS (no initials)

ROGER JUAN MEDLEY LEE