

All previous rules rescinded

**RULES
OF
CENTRAL WOOL GROWERS LIMITED**

NAME, REGISTERED OFFICE AND OBJECTS

- 1 **Name** - The name of the Society is Central Wool Growers Limited, hereafter referred to as "the **Society**."
- 2 **Registered Office** - The registered office of the Society is c/o Duncan & Toplis, 14 All Saints Street, Stamford, Lincs PE9 2PA.
- 3 **Objects** - The objects of the Society are to carry on for the benefit of its members any, or all of the trades, industries or businesses of wholesale and retail dealers in and agents for the sale of wool, skins, and any other agricultural, horticultural or any other produce or requirements and to manage any properties owned by the Society or otherwise as the Board of Directors ("the **Board**") may direct; to carry out any other trades, industries or businesses which may seem calculated to further the above objects; and to provide ancillary services to its members including (but not limited to) the provision of information and guidance connected to the trades, industries or businesses described above.
- 4 **Powers** - The Society has full power to do all things necessary or expedient for the accomplishment of its objects, including the power to deal in any way with land or buildings or any other assets (to include the granting of security over such land and assets). The Society also has power to give or award pensions, annuities, gratuities, superannuation or other allowances or benefits or charitable aid to any persons who are or have been employed by, or who are serving or have served the Society, and to the wives, widows, children and other relatives and dependants of such persons; and to set up establish, support and maintain superannuation funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependants.
- 4A The Board shall have full power and authority to dispose of any assets of the Society (including freehold properties) without any requirement for approval from members, but the Board may only carry out a sale of all or a material part of the trade or business of the Society where such sale and the material terms and conditions thereof are approved in advance by a special resolution of the members.

SHARES

- 5 **Shares** - Shares shall be of the nominal value of £1 each. A person shall upon application for membership apply for at least the number of shares required by these rules to be held by a member and shall deposit the amount payable upon such shares. A member shall upon application for additional shares deposit the amount payable upon such additional shares. In the event of non-issue of any shares so applied for, the amount deposited in respect of any share not issued shall be returned.

- 6 **Lien on Shares** - The Society shall have a first and paramount lien on every share registered in the name of a member (whether solely or jointly with others) for all moneys (whether presently payable or not) due by him or his estate, either alone or jointly with any other person, to the Society but, subject to the Act, the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Rule. The Society's lien, if any, on a share shall extend to all interest payable thereon.
- 7 **Cancellation of Shares** - If any member does not respond to two successive written requests (with an interval of not less than six months between the dates of such requests) for confirmation of their details at their last known registered address within six weeks of such request(s) being made by the Society, and no communication is received from the member or no other address of the member becomes known to the Society during that time, then the shares held by such member shall be cancelled without payment to the member (whether by return of capital, bonus or other distribution whatsoever) and any distributions unpaid or accrued due shall be forfeited to the Society.

MEMBERSHIP

- 8 **Members** - The Society shall consist of present members, and of all such other persons, societies and companies as the Directors may admit from time to time.
- 9 **Shares to be held by Members** - A member (other than a society or company) admitted before 11 May 1973 shall hold at least One share; and a society or company admitted as a member before 11 May 1973 shall hold at least Five shares in the Society payable in the same manner as shares held by individuals. All members after 11th May 1973 and before 2nd May 1974 shall hold at least Five Shares. The number of shares to be held by a member admitted after 2nd May 1974 shall be at least the minimum number of shares most recently prescribed by the Board and approved at a general meeting prior to the receipt of the application for membership. A share or shares may be held by two or more persons jointly, any one of whom may give a valid receipt for any interest or dividend payable in respect thereof. All acts done or notices given in respect of such shares shall be taken to be valid if done or given to the one appointed by notice in writing by all the joint holders, or in default of such notice to the one whose name stands first on the books of the Society as a joint holder of such share or shares.
- 10 **Limit of Member's Interest** - No member (other than a Society registered under the Act) shall hold an interest in the shares of the Society exceeding the limit for the time being approved by statute.
- 11 **Application for Membership** - Application for membership shall be made on and in such form as may from time to time be prescribed by the Board.
- Every such application shall be considered by the Board at their next ensuing meeting or so soon thereafter as may be practicable.
- If approved the name of the applicant shall forthwith be entered in the Register.
- 12 **Notice of Refusal of Admission** - Notice of the refusal of an application, or of the entry of the name of any applicant in the Register, signed by the Secretary, shall be sent to the applicant, at the address mentioned on the form of application, within one week after such refusal or entry is made.

13 **Expulsion of Members** - The members in general meeting may, by a two-thirds majority, expel any member upon a charge of conduct detrimental to the Society, provided that the charge has been communicated to the member at least one calendar month prior to the date of the meeting. On expulsion the member shall forthwith be paid the amount standing to his credit in respect of shares in the Society held by him at the date of the resolution of expulsion and such shares shall be cancelled. No expelled member shall be re-admitted except by a resolution passed in general meeting by a two-thirds majority.

14 **Withdrawal of Members** - A member may withdraw from the Society by notice in writing signed by him and delivered or sent to the Secretary and upon such withdrawal the member's shares shall be cancelled.

Subject to the payment of, or a sufficient provision for all subsisting claims on the Society, the Board may on the application of the person who has withdrawn from membership, if the withdrawal was due to financial distress, removal from the area covered by the Society for trade with its members, retirement from farming or for other good cause, repay on any shares held by him a sum not exceeding the amount paid up.

15 **Termination of Membership** - A member who dies or all of whose shares have been transferred, repaid or cancelled under the Rules, shall cease to be a member.

REGISTER OF MEMBERS AND OFFICERS

16 **Register of Members and Officers** - The Board shall ensure that accurate registers are maintained which shall include a register of members and a register of officers ("the Register"). The Register shall be maintained in accordance with the Act and shall contain the following particulars:-

- (a) the names and addresses of the members;
- (b) a statement of the number of shares held by each member and of the amount paid or agreed to be considered as paid on the shares of each member;
- (c) a statement of other property in the Society, whether in loans or otherwise, held by each member;
- (d) the date at which each person was entered in the register as a member and the date at which any person ceased to be a member;
- (e) the names and addresses of the officers of the Society, with the offices held by them respectively, and the dates on which they assumed and vacated office.

Any member changing his name or address shall notify the Society of such change.

A duplicate register shall also be maintained wherein the Secretary shall enter all the aforesaid particulars other than those mentioned in clauses (b) and (c).

17 **Right of Inspection** - Any member or person having an interest in the funds of the Society shall be allowed to inspect his own account and the particulars entered in the duplicate register at all reasonable times at the registered office of the Society subject to such regulations as to the time or manner of such inspection as may be made from time to time by the general meetings of the Society.

18 **Destruction of Membership Documents** - The Society shall be entitled to destroy all documents relating to membership applications and registration changes at any

time after the expiration of six years from the date of registration thereof. It shall conclusively be presumed in favour of the Society that every entry in the register purporting to have been made on the basis of any such document so destroyed was duly and properly made and that every such document so destroyed was valid and effective and had been duly and properly registered, cancelled or recorded.

PROFITS

- 19 If, in the opinion of the Board, the position of the Society justifies a distribution of profits then, on a recommendation of the Board, approved by the Society in general meeting, the net profits in any year may be distributed as follows:-
- (a) bonuses to members in respect only of their sales, purchases and any other trade with the Society.
 - (b) bonuses to staff of the Society.
 - (c) the creation of, or additions to, such reserve funds as may be set up.
 - (d) any other purpose recommended by the Board and approved by the members in general meeting provided that no further distribution shall be made by way of interest, dividend or bonus on share capital or otherwise in cash or credit to the Members.

The distribution of bonuses recommended by the Board may be reduced, but not increased by the members in Annual general meeting. The Board in its discretion shall decide whether any bonus shall be paid in cash to the members or credited to their share capital by the issue of fully paid shares (provided no individual member's holding would thereby be increased beyond the statutory limit) or placed to the credit of members' trading or loan accounts.

The Society may deduct from the sum payable to a member in a distribution of profits all sums due from that member to the Society but unpaid at the time of the distribution.

All profit distributions under Rule 19(a) shall, after the completion of a Sale (as such term is defined in Rule 76), be made to members in accordance with Rule 76.

LOANS AND INVESTMENTS

- 20 **Loans** - The Board may obtain advances of money from members and others for the purposes of the Society, and may secure the repayment thereof by mortgages or charges on any of the Society's property. The total amount outstanding shall not at any time exceed the limit of £5 million.

The terms of the repayment and any other conditions of such advances shall be determined by the Board from time to time.

The Society shall not receive moneys on deposit.

- 21 **Investments** - Any money not wanted for immediate use, or to meet the usual accruing liabilities, shall be invested in such manner as the Board or a majority of the members present and entitled to vote in general meeting shall decide.

SHARE TRANSFERS

- 22 **Board's Consent to Transfers** - No transfer shall be valid unless the Board's consent has been obtained thereto, and the transfer is made in the form provided in Rule 23. The Board shall not consent to the transfer of shares to a non-member unless upon such transfer he will thereby hold the number of shares required by the Rules to be held by a member. Upon transfer of shares to a person who is not already a Member that person shall thereupon become a member.
- 23 **Form of Transfer** - Every transfer of shares shall be in the following form, or as near thereto as is practicable:

THIS INSTRUMENT, made the [] day of [] 20[]

BETWEEN: (hereafter called the Transferor)

of

AND:

of

WITNESSES that the Transferor hereby transfers to the Transferee the

Shareholding No [] amounting to £[]

standing in the books of Central Wool Growers Limited (the "**Society**") and that the Transferee hereby accepts the said shareholding and undertakes to be bound by the Rules for the time being of the Society and to adhere to the Terms and Conditions of Sale as published.

IN WITNESS whereof we have hereto set our hands:

Signature of Transferor

Signature of Transferee

REPAYMENT OF SHARES

- 24 **Repayment by Request** - Subject to the payment of, or a sufficient provision for, all subsisting claims on the Society, the Board may, on the application of a member, in case of financial distress, removal from the area covered by the Society for trade with its members, retirement from farming or for other good reason repay on any share or shares held by him a sum not exceeding the amount paid up. Such repayment shall not be made so as to reduce the shareholding of any member below the number of shares required by these Rules to be held by him. If a member is so repaid any share or shares held by him he shall not be entitled to receive any interest or dividend on such share or shares other than that declared at the Annual general meeting held prior to the date of his application for repayment.
- 25 **Repayment Compulsory on Members** - Subject as aforesaid if at any time the Society shall hold moneys which the Board considers to be not reasonable necessary for the business of the Society, or for the repayment of moneys under any other provision of these Rules, the Board may apply such moneys in repaying to the members, as nearly as may be in proportion to their shareholdings, the sums paid by each of them in respect of an integral number of shares. Such repayment and cancellation shall not be made so as to reduce the shareholding of any member below the number of shares required by these Rules to be held by him.

Subject to the payment of, or a sufficient provision for, all subsisting claims on the Society, the Board may, if they think fit, in the case of any member who has not

done business with the Society during the relevant period as hereinafter defined pay off every share held by that member and he shall thereupon cease to be a member. The expression "relevant period" means the period of 12 consecutive months immediately preceding the decision of the Board. Before any such payment is made, the Board shall send a notice to the Member of the intention to pay off his shares on a date not less than seven days thereafter. Such notice shall be deemed to have been duly served upon the member concerned if it be sent to him by pre-paid recorded delivery letter to his address shown in the Register, or delivered to him personally or by Electronic Means if the member has provided the necessary consent pursuant to Rule 79. A member who has been served with notice in manner aforesaid of the resolution of the Board to pay of the whole of the shares held by him shall not be entitled to any interest or dividend on such shares other than that declared at the Annual general meeting prior to the date of the notice.

- 26 **Repayment of Cessation of Membership** — If by repayment, transfer or otherwise the number of shares held by a member becomes less than the number required by these rules to be held by him, the amount then credited on the shares shall be repaid and the member shall cease to be a member.
- 27 **Shares Repaid to be Cancelled** - All repayments under Rules 24, 25 and 26 shall be made on the resolution of the Board, and thereupon the shares in respect of which such payments are made shall be cancelled.

GENERAL MEETINGS

- 28 **Annual General Meetings** – The Annual General Meeting shall be held at least once in each year at such time and place and on such date (not being more than fifteen months after the holding of the last preceding Annual General Meeting) as the Board shall determine.
- 29 **Business** – The business of the Annual General Meeting shall be to consider the Accounts and Balance Sheet, to receive the reports of the Board and the Auditor or Auditors, to elect the Auditor or Auditors and to fix the remuneration, if any, of the Directors. Unless permitted by the Chairman, no other business shall be transacted at the Annual General Meeting except that arising out of the report of the Board.
- 30 **General Meetings** - The Board may, when they think fit, convene a general meeting. The purpose of the general meeting shall be stated in the notice of the meeting. No business other than that stated in the notice of the meeting shall be conducted at the meeting. The Board shall convene such a meeting upon the requisition in writing signed by any 15 members, or one-third of the total number of members, whichever is the less, sent to the Secretary, stating the purpose of the proposed meeting. The Board shall determine the time and place of every such meeting. The Secretary shall give notice to the members of such meeting as soon as practicable and in any case within six weeks of the date of receiving the requisition.
- 31 **Attendance at General Meetings** – A member or his duly appointed proxy 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. The Board 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 two or more members attending are in the same place as each

other, provided that they are able to communicate with each other.

- 32 **Notice of General Meetings** - Seven clear days' notice specifying the place, the day and the hour of meeting shall be given to every member before every general meeting, but the accidental omission to give notice to any member, or the non-receipt of notice by any member shall not invalidate the proceedings at any general meeting.
- 33 **Method of Notices** - Notices of meetings shall either be given to members personally or sent to them at their address, including by Electronic Means, to members who have provided their consent pursuant to Rule 79.
- 34 **Quorum** - A quorum at general meetings shall consist of five members or one-third of the membership, whichever is the less. No business shall be transacted at any general meeting unless a quorum of members is present, including those not present in person, at the time when the meeting proceeds to business. A meeting shall not be rendered incapable of transacting business by want of a quorum after the Chair has been taken.
- 35 **Procedure if no Quorum Present** - If within half an hour from the time appointed for the meeting quorum is not present the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or such other day, at such other time and place as the members then present whether in person, by proxy or by Electronic Means, shall determine.
- 36 **Procedure at Adjourned General Meetings** - At any adjourned general meeting originally convened by the Board, the members present, whether in person, by proxy or by Electronic Means, whatever their number, shall have power to decide on all matters which might have been disposed of at the meeting from which the adjournment took place as if a quorum had been present thereat.
- 37 **Voting at General Meetings** - At general meetings each member whether in person, by proxy or by Electronic Means, shall have one vote. The Chairman shall have a vote and in case of equality of voting an additional casting vote.
- If there be joint registered holders of any share or shares conferring the right to vote, any one of them may vote at any meeting as if he were the sole registered holder thereof; but if more than one of several joint-holders be present at a meeting that one of them whether present in person, by proxy or by Electronic Means, whose name stands first in the Register in respect of such share or shares shall alone be entitled to vote in respect thereof.
- 38 **Representation of Bodies Corporate** - A company or other body corporate that is a member shall be entitled to be represented in person at general meetings by any person it may appoint in writing in addition to its power to appoint a proxy under these Rules. Such person during the continuance of his appointment shall be eligible for election to the Board.

Proxies

- 39 Any member or representative of a member appointed and notified by such a member in writing to the Secretary, may appoint a proxy to attend any general meeting and to speak and vote on such member's behalf.
- 40 A proxy need not be a member.
- 41 The appointment of a proxy shall be in writing, executed by or on behalf of the

appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board may approve):

“Central Wool Growers Limited

I/We, [], of [], being a member/members of the above named Society, hereby appoint [] of [], or failing him, [] of [], as my/our proxy to vote in my/our name[s] and my/our behalf at the general meeting of the Society to be held on [] 20[] and at any adjournment thereof. Signed this [] day of [] 20[].”

42 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Board may approve):

“Central Wool Growers Limited

I/We, [], of [], being a member/members of the above named Society, hereby appoint [] of [] or failing him, [] of [], as my/our proxy to vote in my/our name[s] and on my/our behalf at the general meeting of the Society to be held on [] 20[], and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:
Resolution No 1 *for *against Resolution No 2 *for *against * (Strike out whichever is not desired).

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting. Signed this [] day of [] 20[].”

43 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or by a solicitor or in some other way approved by the Board may:

- (a) in the case of an instrument in writing be sent to the office or to any such address as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Society in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to speak and vote; or
- (b) in the case of an appointment by Electronic Means, where an address has been specified for the purpose of receiving notices by Electronic Means:
 - (i) in the notice convening the meeting; or
 - (ii) in any instrument of proxy sent out by the Society in relation to the meeting; or
 - (iii) in any invitation by Electronic Means to appoint a proxy issued by the Society in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

and in default the instrument of proxy shall be treated as invalid.

44 A vote demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting unless notice of the determination was received by the Society at the office or at such other place at which the instrument of proxy was duly deposited or,

where the appointment of the proxy was by Electronic Means at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given.

BOARD OF DIRECTORS

- 45 **Board of Directors** - The Business of the Society shall be conducted by a Board of Directors.

The Board or the Society in general meeting shall have power at any time and from time to time to appoint any member as a Director as an addition to the Board, but so that the total number of Directors shall not at any time exceed the prescribed maximum number determined in Rule 44.

- 46 **Number of Directors** - The number of Directors shall be not less than 2 nor more than 6.

- 47 **Intentionally left blank.**

- 48 **Intentionally left blank.**

- 49 **Notice of Proposal to Nominate Directors** - No person shall be eligible for election to the office of Director at any general meeting unless at least seven days before the meeting there shall have been given to the Secretary a written notice of intention to propose him and a written notice by the person to be proposed of his willingness to act.

- 50 **Intentionally left blank.**

- 51 **Casual Vacancies** - The Directors shall have power to appoint any person as a Director to fill a casual vacancy.

- 52 **Removal of Directors** - The Society in general meeting may, by resolution, remove any Director before the expiration of his period of office, and may by resolution appoint another person in his stead.

- 53 **Intentionally left blank.**

- 54 **Duties of the Board** - The Board shall have full power to superintend and conduct the business of the Society according to the Rules thereof, shall meet regularly for the purpose and shall in all things act for and in the name of the Society. Every question shall be decided by a majority of votes, and if votes are equal the Chairman shall have a casting vote. Any Director of the Board may call a special meeting thereof, by giving seven clear days' notice in writing to the Secretary, but at such meetings no other business than that specified in the notice shall be taken into consideration.

- 55 **Delegation of Powers** - The Board may delegate by resolution any of its powers to sub-committees of such members as they think fit.

- 56 **Quorum at Board Meetings** - A quorum at Board meetings shall consist of two Directors, whether present in person or by Electronic Means.

- 57 **Remuneration of Directors** - The Directors may be paid by the Society travelling and hotel expenses incurred by them in attending meetings of the Society or of the Board, or otherwise in connection with the Society's business, and such other remuneration for services rendered as the Annual general meeting may from time to

time direct.

- 58 **Directors becoming Surety** - Should any Director, with the consent of the Board, become surety for any debt or liability incurred on behalf of the Society, he shall not be removed from office without his consent until such liability has ceased.
- 59 **Discussions at Meetings** - No political or sectarian issue shall be raised, or resolutions of that character proposed, either at any Board or general meeting of the Society.
- 60 **Elections** - The Society shall not in its corporate capacity take part in any parliamentary, municipal, or other local government elections.
- 61 **Disqualification of Directors** - The office of a Director shall be vacated:
- (a) if he is absent from the meetings of the Board continuously during a period of twelve months without special leave of absence from the Board expressed by duly recorded resolution;
 - (b) if he is bankrupt or has suspended payment or compounded with his creditors;
 - (c) if he is a member of the committee or board of directors of or employee of some other firm, society or company which, in the opinion of the Board, competes in business with the Society or is a holder of more than 30% of the shares of such firm or company if such election is considered by the Board to be detrimental to the interests of the Society;
 - (d) if he sends in a written resignation to the Board and the same is accepted or, not being accepted, is not withdrawn within seven days; or
 - (e) if he is removed under Rule 50.

OFFICERS

- 62 **Intentionally left blank.** -
- 63 **Chairman** - The Board shall at its first meeting in each year elect from among its own number a Chairman of the Society who shall hold office until the corresponding meeting in the following year, but shall be eligible for re-election if still a Director.
- The Chairman of the Board may be removed from the office of Chairman at any time by resolution of the Board at a meeting called for that purpose and such meeting shall fill the vacancy or vacancies.
- The Chairman shall preside at all general meetings not attended by the President and at all meetings of the Board, but if at any time there is no Chairman, or if at any meeting the Chairman be not present (in person or by Electronic Means) within five minutes after the time appointed for holding the same and willing to preside, the members present, in the case of a general meeting, and the Directors present, in the case of a Board meeting, shall choose one of their number to be Chairman of such meeting.
- 64 **Secretary** - The Board shall appoint and may remove a Secretary and shall determine his remuneration and duties in addition to those set out in the Rules.
- 65 **Security by Officers** - Every officer having charge of any of the moneys of the Society shall, before entering on his duties, give such security as the Board shall deem sufficient.

THE SEAL

- 66 The Seal of the Society shall be a steel engraven one and shall be used only under the authority of a resolution of the Board. The date of such authority shall be mentioned on the instrument to which the seal is attached and shall be attested by the signature of two Directors and the Secretary.

The Seal shall be kept in the custody of the Secretary, or such other officer as the Board shall direct.

USE OF NAME

- 67 **Use of Name** - The registered name of the Society shall be kept painted or affixed on the outside of every office or place in which the business of the Society is carried on, in a conspicuous position, in letters easily legible, and shall be engraven in legible characters on its seal (if any), and shall be mentioned in legible characters in all business letters, notices, advertisements, and other official publications of the Society, and in all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the Society, and in all bills of parcels, invoices, receipts and letters of credit of the Society.

AUDITOR AND ACCOUNTS

68 Auditor -

- (i) There shall be appointed in each year of account a qualified auditor to audit the Society's accounts and balance sheet for that year. In this Rule "qualified auditor" means a person who is eligible for appointment as a company auditor under Part 42 of the Companies Act 2006.
- (ii) None of the following persons shall be appointed as auditor of the Society:-
 - (a) an officer or employee of the Society; or
 - (b) an employee, employer or partner of a person within paragraph (a).
- (iii) The Board may appoint an auditor to fill any casual vacancy occurring between general meetings of the Society.
- (iv) An auditor appointed to audit the accounts and balance sheet of the Society for the preceding year of account shall be reappointed as auditor of the Society for the current year of account unless
 - (a) a decision has been made by the Board to appoint somebody instead of him or providing expressly that he shall not be reappointed; or
 - (b) he has given to the Society notice in writing of his unwillingness to be reappointed; or
 - (c) he is not a qualified auditor or is a person mentioned in paragraph (ii) of this rule; or
 - (d) he has ceased to act as auditor of the Society by reason of incapacity.
- (v) A resolution at 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 not less than twenty-eight days before the meeting at which it is to be considered. At least fourteen days' notice of such resolution stating the reasons for the removal must then be given to members of the Society in the manner prescribed in these Rules and in writing to the auditors.

69 Auditors Report - The Auditor shall in accordance with the Act make a report to the Society on the accounts examined by him and on the revenue account or accounts and the balance sheet of the Society for the year of account in respect of which he is appointed.

70 Balance Sheet - The Society shall keep a copy of the last balance sheet for the time being of the Society together with the report of the auditor or auditors always hung up in a conspicuous place at its registered office.

ANNUAL RETURNS

71 Annual Return - Every year and within the period prescribed by the Act the Secretary shall send to the Registrar the annual return in the prescribed form relating to the Society's affairs with the period required by the Act to be included in the return together with:

- 1) a copy of the report of the auditor on the Society's accounts for the period included in the return; and
- 2) a copy of each balance sheet made during that period and of the report of the auditor on that balance sheet.

72 Copies of Annual Return - 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).

DEATH OR BANKRUPTCY OF A MEMBER

73 Proceedings on Death or Bankruptcy of a Member -

- (i) Subject to paragraph (ii) of this Rule, upon a claim being made by the personal representative of a deceased member, or the trustees in bankruptcy of a bankrupt member, to any property in the Society belonging to the deceased or bankrupt member, the Board shall transfer such property to which the personal representative or trustee in bankruptcy has become entitled as the personal representative or trustee in bankruptcy may direct them.
- (ii) In the event of the death of an individual or the dissolution of a body corporate who or which is a joint holder of a share the remaining joint holder shall give the Society written notification of that event whereupon the name of the deceased or dissolved joint holder shall be removed from the register of members and the remaining joint holder shall continue to have all of the rights and obligations of a member under these Rules.

74 Nominations - A member may in his lifetime and in accordance with the Act nominate any person or persons to whom any of his property in the Society at the

time of his death shall be transferred.

STATUTORY APPLICATIONS TO THE REGISTRAR

- 75 **Inspection of Books** - Any ten members of the Society, each of whom has been a member of the Society for not less than twelve months immediately preceding the date of the application, may apply to the Registrar for the appointment of an actuary or accountant to inspect the books of the Society, and to report thereon.
- 76 **Inspection of Affairs** - It shall be the right of one-tenth of the whole number of members, or if the number of members shall exceed 1,000 it shall be the right of 100 members, by an application in writing to the Registrar:
- (a) To apply for the appointment of an inspector or inspectors to examine into the affairs of the Society and to report thereon; or
 - (b) To apply for the calling of a special meeting of the Society.

ARBITRATION

- 77 **Arbitration** - If any dispute shall arise between a member or any person aggrieved who has for not more than six months ceased to be a member, or any person claiming through such member or person aggrieved, or under the rules, and the Society, or an officer thereof, it shall be decided by reference to the arbitration of three persons, one appointed by each of the parties concerned, and the third by the Chairman for the time being of the Secretary General of Co-operatives UK (or any role or body that succeeds to its function).

DISSOLUTION OF THE SOCIETY

- 78 **Dissolution** - The Society may at any time be dissolved by the consent of three-fourths of the members, testified by their signatures to an instrument of dissolution or by winding-up in the manner provided by the Act.

In the event of the Society being dissolved by Instrument of Dissolution or by voluntary winding-up under the Insolvency Act 1986 where a statutory declaration of solvency has been made by the Board under that Act, no member shall receive in the dissolution any amount exceeding the share capital paid up in respect of the shares held by him together with any monies to which he may then be entitled under these Rules. As to any surplus funds remaining after paying all debts and expenses of the winding-up or termination by instrument as the case may be and after paying to the members the full amounts to which they are respectively entitled under the foregoing provisions of this Rule the liquidator in the case of a voluntary winding-up, and the Board in the case of an instrument of dissolution, shall treat and apply such surplus funds as if they were surplus profits available for distribution as bonuses to members under rule 19(a) of these Rules but:

- (a) if the Society has disposed of a significant part of its retail business ("**Sale**") prior to such date, payable only to the members who did business with the Society during the five preceding completed financial periods ended prior to the completion of the Sale (and any broken period in which the Sale occurs), provided that if such period would include any time before 1 July 2006 that period shall be disregarded and the

broken period from 1 July 2006 to 1 July 2007 shall be included, and in proportion to the business done by such members with the Society or at the discretion of the liquidator or the Board, as the case may be, in proportion to the profits earned by the Society on such members' business during that period; or

- (b) in all other circumstances, payable only to the members who did business with the Society during the five preceding completed financial periods ended prior to the distribution (and any broken period in which the distribution occurs), provided that if such period would include any time before 1 July 2006 that period shall be disregarded and the broken period from 1 July 2006 to 1 July 2007 shall be included, and in proportion to the business done by such members with the Society or at the discretion of the liquidator or the Board, as the case may be, in proportion to the profits earned by the Society on such members' business.

COPIES OF RULES

- 79 **Copies of Rules** – 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.

AMENDMENT OF RULES

- 80 No new rule shall be made, nor shall any of the rules herein contained or hereafter to be made to be amended or rescinded unless with the consent of three-fourths of those members present whether in person, by proxy or by Electronic Means, and voting at a general meeting of which notice has been given specifying the intention to propose such new rule, amendment or rescission.

No amendment of rules is valid until registered with the Registrar. When submitting the rule amendments for registration the Secretary may at their sole discretion accept any alterations required or suggested by the Registrar without reference back to a further general meeting of the Society.

MEANS OF COMMUNICATION

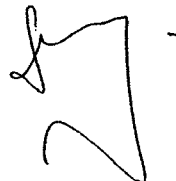
- 81 A member may provide their consent to receive communications from the Society by Electronic Means.

INTERPRETATION

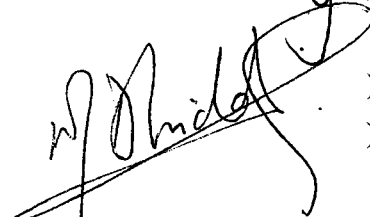
- 82 In these Rules, unless the contrary intention appears:
 - (a) Words denoting the masculine gender shall be deemed to include the feminine.
 - (b) Words in the singular shall include the plural and words in the plural shall include the singular.
 - (c) "The Act" means The Co-operative and Community Benefit Societies Act 2014 and any Act or Acts amending or substituting for it and for the time being in force.
 - (d) "Address" means a postal address or, for the purposes of receiving notices and

communications by Electronic Means, a fax number, email address or telephone number (for receiving text messages).

- (e) "Electronic Means" shall include, for example, email (in the case of notices), video links (in the case of attendance at general meetings or meetings of the Board) and secure authenticated website transactions.
- (f) "Registrar" means the Financial Conduct Authority (FCA) or any body that succeeds its function.
- (g) "Secretary" means any person appointed to perform the duties of the Secretary of the Society.
- (h) "Writing" means the representation or reproductions 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.

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) Member

J. Morley)
) Member

)
) Member

Julie Gregg)
) Secretary

Dated: 20th December 2021