

The Wine Society Rules 2022

NAME, OBJECTS AND REGISTERED OFFICE

1. Name

1.1 The Society is called The 'International Exhibition Co-operative Wine Society Limited'.

2. Objects

2.1 The objects of The Society are:

2.1.1 to carry on, for supply to Members, the trade of dealers in wines, spirits and other beverages, along with other products and services that can, in the opinion of the Committee, conveniently be dealt in in conjunction with wines, spirits and other beverages;

2.1.2 to purchase, hold, sell, charge, mortgage, exchange, develop, rent, lease or sub-lease lands of any tenure in the United Kingdom or elsewhere; to develop or otherwise deal with any building thereon and to acquire and grant rights of all kinds in respect of any land or any building thereon and to acquire any machinery, plant, assets or rights which may be necessary to enhance the value of any business or other assets of The Society or which may, in the opinion of the Committee, conveniently be used in conjunction with it;

2.1.3 to sell or dispose of any part of its assets or undertaking for such consideration as The Society may think fit;

2.1.4 to grant pensions to its employees, to establish and participate in pension or superannuation schemes, to make contributions thereto and to enter into any Trust Deed or any other documents for this purpose;

2.1.5 to borrow or raise, in such manner and upon such terms and conditions as it thinks fit, money for the purposes of The Society; to mortgage or charge any of The Society's property or assets and to issue debentures and other securities;

2.1.6 in addition, and without prejudice to any other power contained in these Rules, to enter into arrangements with financial institutions; and to enter into any agreement for the purchase of, or protection against movements of, foreign currency or otherwise in connection with its financial affairs, including any agreement for reducing or compensating for any other financial risk, whether by way of swaps or otherwise, on such terms and conditions as it thinks fit;

2.1.7 to guarantee or secure the performance of all or any of the obligations of any person or body, with or without security on any of the undertaking or assets of The Society, and to enter into indemnities of all kinds, in all cases with or without consideration;

2.1.8 to make contributions to, or incur expenditure in connection with, any co-operative, educational or social activities, or any charitable, philanthropic or public purposes.

2.2 The Society shall have power:

2.2.1 to do all things which the Committee may think expedient for, or incidental or conducive to, the carrying out of all or any of the objects in Rule 2.1;

2.2.2 to do all or any of the things mentioned in this Rule in any part of the world.

2.3 Additionally, and without limiting or qualifying in any way the generality or scope of the objects set out in this Rule, The Society, in carrying out its objects and powers, shall have regard to cooperative principles.

3. Registered Office

3.1 The Society's registered office will be at Gunnels Wood Road, Stevenage, Hertfordshire, SG1 2BT or wherever else the Committee decides.

MEMBERSHIP

4. Qualification for membership

4.1 Any individual aged eighteen years or over and any corporate body recognised by law may apply to become a Member of The Society.

4.2 Except under Rules 55 to 57, no person may become a Member of The Society unless:

4.2.1 they have agreed to take a share in The Society; and

4.2.2 the amount due in respect of that share has been paid; and

4.2.3 the membership has been approved by the Committee in such manner as the Committee may from time to time decide.

4.3 These Rules are binding on The Society and its Members.

5. Shareholdings

5.1 No Member may hold more than one share except for any Member who holds more than one share at the date of adoption of these Rules. No Member shall have or claim any interest in the shares of The Society exceeding £20,000.

6. Active and Non-Active Members

6.1 All Members shall be Active Members, apart from the following, who shall be Non-Active Members and shall remain Non-Active Members for the periods indicated:

6.1.1 any Member, until the end of a period of six months from the date on which they became a Member;

6.1.2 any Member who has not entered into a transaction with The Society for a continuous period of five years, until the end of a period of twelve months from the date on which that Member again enters into a transaction with The Society.

6.2 For the purposes of Membership Ballots, the date on which a Member is determined as being Active or Non-Active is the date on which the relevant Membership Ballot is demanded or, in the case of a Membership Ballot for the election of Elected Members to the Committee, the date of the relevant Annual General Meeting.

7. Membership rights and obligations

7.1 All Members are entitled to receive notice of and participate in meetings of The Society, to vote on Membership Ballots and to have (to the extent provided for by these Rules) a voice in the management of The Society's affairs.

7.2 Each Member, whether or not an Active Member, shall be entitled to cast one vote on a Show of Hands in respect of each resolution proposed at a General Meeting.

7.3 Each Active Member shall be entitled to cast four votes per resolution on a Membership Ballot. Active Members shall not be treated as having voted for or against a resolution on a Membership Ballot unless they cast all four votes in the same direction.

7.4 Each Non-Active Member shall be entitled to cast one vote per resolution on a Membership Ballot.

7.5 Members shall not make purchases from The Society for the purpose of resale.

SHARE CAPITAL

8. Share capital and new shares

8.1 As at the date of registration of these Rules, The Society's share capital comprises fully paid A shares of £20 each and fully paid B shares of £20 each.

8.2 A and B shares carry the same rights and restrictions except as specified in Rules 75 and 78.1.3.

8.3 Shares may only be withdrawn in the circumstances and to the extent expressly allowed by these Rules.

8.4 The Society may issue new shares of any class other than A shares at par or at such premium as the Committee may decide.

9. Share Premiums

9.1 The premium paid on any issue of shares shall be carried to the credit of an account called the "Share Premium Account".

9.2 Any or all of the Share Premium Account may be converted to capital under Rule 76. None of the Share Premium Account may be distributed or returned to any Member except if The Society is dissolved. Any amendment of this Rule 9.2 must be by way of a Special Resolution.

10. Shares not transferable

10.1 Shares in The Society are not transferable but may be transmitted on the death of a Member or on the reconstruction or in anticipation of the dissolution of a corporate member under the Rules relating to transmission and repayment and may also be transmitted to a person reaching the age of 18 years for whom a share has been held in trust prior to that happening. Any amendment of this Rule 10 must be by way of a Special Resolution.

GENERAL MEETINGS AND MEMBERSHIP BALLOTS

11. Annual General Meeting

11.1 Each year The Society must hold an Annual General Meeting in addition to any other General Meetings which are held in that year. The Committee shall be responsible for calling the Annual General Meeting.

12. Special General Meetings

12.1 A Special General Meeting must be held whenever the Committee thinks it expedient, or when 150 or more Members request the Secretary in writing to call one. If the Secretary fails to call the meeting

within 28 days, the Members making the request may call it by giving notice as prescribed in Rule 13. The Society shall be obliged, at its own expense, to provide the facilities necessary to enable the meeting to be called and copies of the Notice to be sent to Members.

12.2 In any case where a Special General Meeting is requested by Members under this Rule in order to consider a change or changes to the Rules of The Society that meeting shall be called to be held not less than six months and not more than nine months after the date of the request and the Committee shall, so far as possible, follow the timetable and procedures prescribed in Rule 80 for proposals by the Committee to amend the Rules.

13. Notice of, and Means of Participation in, General Meetings

13.1 Every General Meeting shall be called by a Notice of the meeting, which shall indicate the general nature of the business to be transacted at the meeting, which shall be affixed to a prominent part of all premises occupied by The Society to which Members have access in the normal course of business, and which shall be displayed on any website of The Society.

13.2 Only business covered by the Notice can be considered at any General Meeting.

13.3 A copy of the Notice shall be delivered, in accordance with Rule 82.1, to every Member (other than Members who have requested not to be sent Notices and Members whose postal or, as the case may be, e-mail or other electronic addresses are no longer known to The Society) not less than 42 days before the date fixed for the meeting in the case of an Annual General Meeting, and not less than 28 days before the date fixed for the meeting in the case of a Special General Meeting, not counting, in each case, either the date on which the copy of the Notice is delivered or treated as delivered or the date of the meeting.

13.4 All General Meetings will be held where the Committee decides.

13.5 The Committee may make arrangements for Members to attend and participate in a General Meeting:

13.5.1 at one or more physical meeting places; and/or

13.5.2 by using an Electronic Platform.

13.6 A General Meeting may be held:

13.6.1 solely as a physical meeting (whether at one or more physical meeting places);

13.6.2 solely as an electronic meeting accessible by using an Electronic Platform; or

13.6.3 by offering Members the option to attend and participate at one or more physical meeting places (which may include one or more Secondary Meeting Places) or by using an Electronic Platform.

13.7 A Member may only attend and participate in a meeting by one of the means referred to in Rule 13.6.

13.8 Details of any principal physical meeting place, any Secondary Meeting Place and/or Electronic Platform shall be stated in the notice of meeting.

13.9 At meetings held in multiple physical places or at one or more physical places and by use of an Electronic Platform, the Chair of the meeting shall be present at, and the meeting shall be deemed to take place at, the principal physical meeting place.

13.10 At meetings held solely by use of an Electronic Platform, the meeting shall be deemed to take place where the Chair participates.

13.11 The Committee may make arrangements for any documents which are required to be made available for inspection by Members at a General Meeting to be available for inspection at any Secondary Meeting Place (in addition to the principal physical meeting place) and/or to be accessible electronically on an Electronic Platform.

13.12 The Society shall require any persons wishing to attend a General Meeting (whether at any principal physical meeting place or any Secondary Meeting Place, or by using an Electronic Platform) to comply with any identification procedures and security arrangements as the Committee shall reasonably specify from time to time. The Chair shall be entitled in its absolute discretion to authorise one or more persons to refuse physical or electronic entry to, or eject (physically or electronically) from, any meeting any person who fails to provide evidence of identity or to submit to or comply with such security arrangements as are required pursuant to this Rule, or who causes the meeting to become disorderly.

13.13 If it appears to the Chair that:

13.13.1 the facilities at the principal physical meeting place or any Secondary Meeting Place; or

13.13.2 the Electronic Platform or the facilities or security in relation to the Electronic Platform or the Members participating by way of the Electronic Platform

have become inadequate for the purposes of enabling Members to participate and vote in the meeting, the Chair may, without the consent of the meeting, interrupt or adjourn the meeting. All business conducted at the meeting up to the time of any such adjournment shall be valid.

13.14 If it appears to the Chair that the facilities at any Secondary Meeting Place(s) or in relation to the Electronic Platform have become inadequate for the purposes of enabling Members to participate and vote in the meeting, but the facilities at the principal meeting place continue to be adequate and the meeting fulfils the quorum requirements without reference to the relevant Secondary Meeting Place or that Electronic Platform, the Chair may in its absolute discretion determine that the meeting shall continue and all business conducted at that meeting shall be valid despite the inability of Members at such Secondary Meeting Place(s) or using that Electronic Platform to participate.

13.15 If, after the sending of a Notice of meeting but before the meeting is held or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Committee decides that it is impracticable or unreasonable, for a reason beyond its control, to hold a meeting in the manner or at the place or places, or on the Electronic Platform, referred to in the Notice of meeting, it may change the manner or the place (or any of the places) or the Electronic Platform and/or postpone the time if it decides it is reasonable to do so. In such cases, no new Notice of the meeting need be sent, but the Committee shall advertise on The Society's website the date, time and place of, and/or Electronic Platform for, the meeting and, if practicable, notify these to Members by electronic means.

14. Quorum for conducting business at General Meetings

14.1 No business can be transacted at any General Meeting unless a quorum of 50 Members is present when the meeting proceeds to business.

14.2 A Member who attends and participates in a General Meeting by using an Electronic Platform specified in the notice of meeting will be counted as present in the quorum for that meeting, subject as provided in Rule 13.14.

14.3 Where the Notice of meeting states that Members will be entitled to attend a General Meeting by simultaneous attendance and participation at any Secondary Meeting Place, the Members present in person at such Secondary Meeting Place will be counted as present in the quorum for that meeting, subject as provided in Rule 13.14.

14.4 If the necessary quorum is not present within 30 minutes from the time fixed for the meeting it will automatically be adjourned to the same day in the next week at the same time and place and/or using the same Electronic Platform, or at such time and place and/or using such Electronic Platform, as the Committee shall determine and at that adjourned meeting 10 Members present shall form a quorum.

15. Company Representatives

15.1 A corporate body which is a Member can authorise any person (called a “company representative”) to act as its representative at any General Meeting. The directors of that corporate body, or if there is no board of directors its governing body, must pass a resolution to appoint the company representative.

15.2 A company representative can exercise all the powers on behalf of the corporate body which it could exercise if it were an individual Member present at the General Meeting in person. A company representative will be counted in the quorum.

16. The Chair of General Meetings

16.1 The Chair of the Committee or, failing the Chair, the Deputy Chair will preside at General Meetings. If the Committee does not have a Chair or Deputy Chair or they:

16.1.1 are more than 15 minutes late; or

16.1.2 are unwilling to act as Chair, those Committee Members who are present can choose another Committee Member to chair the meeting.

16.2 If the Committee Members present do not do so, the Members present can choose any Committee Member to be Chair. If no Committee Member is present, or those present decline to take the chair, the Members present can choose one of themselves to chair the meeting.

17. Adjournment

17.1 With the consent of any General Meeting at which a quorum is present, the Chair may adjourn the meeting either to a different time, date or place and/or Electronic Platform proposed by the Chair, or to a time, date and place and/or Electronic Platform to be determined later by the Committee, as the meeting decides. Where a meeting is adjourned for 28 days or more or is adjourned without a date, 14 days’ notice of the adjourned meeting must be given. Otherwise, Members are not entitled to any notice of the adjourned meeting. An adjourned meeting can only deal with business that could have been dealt with at the original meeting. Meetings can be adjourned more than once.

18. Voting at General Meetings

18.1 A resolution put to the vote at any General Meeting will, subject as provided in Rule 13.14, be decided by a Show of Hands of the Members present at the meeting (whether the meeting is at one or more physical places and/or by using an Electronic Platform) unless, before or when the result is declared, a Membership Ballot is demanded by either the Chair or at least 50 Members present at the

meeting. A Membership Ballot may not be demanded until after the resolution has been put to the vote by a Show of Hands.

18.2 If a Membership Ballot is not demanded as above, the Chair's declaration that a resolution has been carried or lost (stating, if the Chair so decides, the number, or proportion, of votes for and against) will be conclusive, and a record of it in The Society's Minute Book will be conclusive evidence that it was passed or rejected and as to the number, or proportion, of votes recorded for or against the resolution.

18.3 For the purpose of ascertaining whether a resolution put to the vote at a General Meeting is passed on a Show of Hands the Chair may make such arrangements as the Chair thinks fit to assist in ascertaining the result of the vote; for example, by the use of more than one Show of Hands, voting papers or ballot boxes, electronic voting or other appropriate technology.

18.4 Any objection to the right of any person to vote must be made on the occasion (whether a meeting or adjourned meeting) when the vote is cast. Any objection about the counting of any vote or the failure to count any vote must be made before or on the occasion when the votes are counted. If a vote is not disallowed at a meeting, it is valid for all purposes. Any objection must be raised with the Chair on the relevant occasion. The Chair's decision is final.

19. Voting by Membership Ballot

19.1. The Society shall dispatch with the ballot papers for a Membership Ballot any memorandum from the Committee and from the Members demanding a Membership Ballot provided any such memorandum:

19.1.1 is lodged with the Secretary within 14 days after the date of the meeting at which the Membership Ballot is demanded; and

19.1.2 does not exceed a reasonable length; and

19.1.3 is not seeking to secure needless publicity and/or includes defamatory matter.

19.2 Ballot papers:

19.2.1 shall be delivered, in accordance with Rule 82.1, to all Members (other than those who have requested not to be sent Notices of meetings and Members whose postal or, as the case may be, e-mail or other electronic addresses are no longer known to The Society) within 6 weeks after the meeting at which the Membership Ballot is demanded; and

19.2.2 shall stipulate the date by which votes must be cast, which must not be less than 28 days from the date on which the ballot papers are delivered or deemed to be delivered.

19.3 On a Membership Ballot, votes may be cast in accordance with Rule 82.1 provided that they are cast in accordance with the instructions in the ballot papers, including any requirements in the ballot papers for signatures and authority to be given. The Committee shall decide the instructions on the ballot papers and shall make such arrangements for counting the votes cast, including the appointment of scrutineers, as it considers fit. The Committee shall decide whether to provide for the return of ballot papers by post at the expense of The Society. Votes shall be deemed delivered to The Society only when received by The Society in accordance with the instructions in the ballot papers.

19.4 The result of the Membership Ballot:

19.4.1 must be posted up at each place where a copy of the Notice of meeting was displayed and must be notified in The Society's publications, including its website, at the first convenient opportunity; and

19.4.2 will be treated as the decision of the meeting at which the Membership Ballot was demanded.

20. The effect of a demand for a Membership Ballot

20.1 A demand for a Membership Ballot will not prevent a meeting continuing and dealing with other matters.

20.2 A demand for a Membership Ballot can be withdrawn before the close of the meeting if the Chair agrees to this. If a Membership Ballot is demanded and this demand is then withdrawn with the Chair's agreement, any declaration by the Chair of the result of a vote on that resolution by a Show of Hands before the Membership Ballot was demanded will stand.

21. Provisions about voting applicable to General Meetings and to Membership Ballots

21.1 Where the votes on a Show of Hands or on a Membership Ballot are equal, the Chair is entitled to a further casting vote in addition to the Chair's vote as a Member.

21.2 Votes cast in accordance with the instructions on the ballot papers shall be valid notwithstanding:

21.2.1 the death or mental incapacity of the Member casting it; or

21.2.2 revocation of the vote,

unless notice of either event is received at the Registered Office before expiry of the period allowed for voting.

COMPOSITION AND APPOINTMENT OF THE COMMITTEE

22. The composition of the Committee

22.1 There will be a supervisory committee (referred to as the 'Committee') consisting of up to 13 people, of whom:

22.1.1 up to 8 are to be elected, re-elected or appointed in accordance with Rules 24 to 26. These Members are hereafter referred to as "Elected Members";

22.1.2 up to 5 are to be co-opted in accordance with Rule 27. These Members are hereafter referred to as "Co-opted Members".

22.2 Committee Members must be Active Members of The Society.

22.3 One of the Elected Members shall be the Chair of The Society and another shall be the Deputy Chair.

23. Elected Committee Members to retire by rotation

23.1 Two Elected Members must retire from office at each Annual General Meeting of The Society unless any Elected Members have died or have for any other reason ceased to be Committee Members since the last Annual General Meeting, in which case the number retiring shall be:

23.1.1 one, if one Elected Member has died or ceased to be a Committee Member since the last Annual General Meeting; or

23.1.2 none, if two or more Elected Members have died or ceased to be Committee Members since the last Annual General Meeting,

whether or not the resulting vacancies have been filled under Rule 26. Subject to Rule 22.2 a retiring Elected Member shall be eligible for re-election.

23.2 The Elected Members who retire at the Annual General Meeting shall be those who have been in office longest since they were last elected or re-elected. Where there are more Elected Members last elected or re-elected on the same date than the number required to retire, they can agree on who is to retire. If they do not agree, they must draw lots to decide.

23.3 A retiring Elected Member shall hold office until the end of the meeting at which they retire or, if there is a Membership Ballot, until the result of the ballot is ascertained.

24. Conditions for election or re-election as an Elected Member at the Annual General Meeting to fill an existing vacancy

24.1 To be elected or re-elected an Elected Member, a person must deliver to the Secretary at least 21 days before the Annual General Meeting:

24.1.1 a notice in writing signed by 12 Members nominating that person for election or re-election showing the share numbers of the nominating Members;

24.1.2 written confirmation of the Member's willingness to serve if elected or re-elected;

24.1.3 if the Member has been an employee of The Society, written consent of the Committee to the election or re-election; and

24.1.4 a memorandum of not more than 200 words which:

24.1.4.1 must include the Member's share number and comments on their suitability to be a member of the Committee and such other details as the Committee shall consider relevant to assist Members in choosing suitable Elected Members; and

24.1.4.2 must not seek to secure needless publicity and/or include defamatory matter.

25. Procedure for the election of Elected Members to fill vacancies existing at the Annual General Meeting

25.1 If the number of candidates nominated does not exceed the number of vacancies, the Chair will, at the Annual General Meeting, declare the nominees elected.

25.2 If the number of candidates nominated exceeds the number of vacancies, a Membership Ballot shall be held to decide which candidates are to be elected.

25.3 Rules 7, 19, 20 and 21 shall apply to a Membership Ballot required under this Rule except that instead of a memorandum as described in Rule 19.1 The Society shall dispatch with the ballot papers copies of the notices given under Rule 24.1.1 and of the memoranda provided by the candidates under Rule 24.1.4 together with such further information and recommendations as the Committee (excluding any Committee Member standing for re-election) wishes to circulate concerning the candidates.

25.4 The candidates with the most votes must be declared elected. As soon as practicable after the closing of the ballot the scrutineers must certify the results of voting in the Membership Ballot to the Chair of the Annual General Meeting. If the vote is split equally between two or more candidates, the Chair is entitled to a casting vote or votes.

25.5 The scrutineers' certificate or, in the event of the Chair exercising a casting vote, the Chair's declaration as to the result of the vote is conclusive.

26. Vacancies arising amongst the Elected Members between Annual General Meetings

26.1 Any vacancy arising amongst the Elected Members between Annual General Meetings may be filled by the remaining Elected Members by the appointment of an Active Member eligible to be an Elected Member.

26.2 A person so appointed shall hold office until immediately before the next Annual General Meeting when they shall retire from office, but may, if eligible, stand for election at that meeting.

27. Power to appoint Co-opted Committee Members

27.1 The person holding the office of Chief Executive shall be a Co-opted Member.

27.2 The Elected Members of the Committee may at any time decide (provided that at least 5 Elected Members vote in favour) to appoint or reappoint an eligible person a Co-opted Member, for such period (not more than 4 years) as it may determine, as long as this does not bring the number of Co-opted Members in office to more than 5 and does not result in any Co-opted Member, other than the Chief Executive, being a member of the Committee for a continuous period of more than eight years.

27.3 Every co-option except that of the Chief Executive shall be subject to confirmation by resolution at the next Annual General Meeting following such appointment. Should such co-option not be confirmed, then the Co-opted Member shall cease to be a Co-opted Member at the end of that Annual General Meeting.

27.4 A person who has been a member of the Committee (whether Elected or Co-opted) for a continuous period of 8 years or more shall not be eligible for co-option until after the second Annual General Meeting following the date when they cease to be a Committee Member.

28. When a Committee Member ceases to be a Committee Member

28.1 Any Committee Member will cease to be a Committee Member (and a member of any Subcommittee) automatically if they:

28.1.1 cease to be an Active Member;

28.1.2 are absent from meetings of the Committee for more than 3 months without the Committee's consent and the Committee passes a resolution stating that they have ceased to be a Committee Member;

28.1.3 give The Society a written resignation;

28.1.4 are or have been suffering from mental or physical ill health and the Committee resolves that their office be vacated, or a registered medical practitioner who is treating the Committee Member gives a written opinion to The Society stating the Committee Member has become physically or mentally incapable of acting as a Committee Member and may remain so for more than three months;

28.1.5 are convicted of an offence in the Crown Court or a superior Court;

28.1.6 have a bankruptcy order made against them or suspend payment to or make any arrangement with their creditors generally;

28.1.7 are removed as a Committee Member by resolution of a General Meeting;

28.1.8 become an employee of The Society (other than Chief Executive).

29. Information to be given in the Notice of and before the Annual General Meeting

29.1 The Notice convening any Annual General Meeting must state:

29.1.1 the names of Elected Members retiring by rotation and whether or not they will be standing for re-election;

29.1.2 the number of vacancies for Elected Members existing at the Annual General Meeting whether arising by retirement by rotation or for any other reason;

29.1.3 the names of Co-opted Members seeking confirmation of appointment or renewal of appointment and the period of their appointment or renewed appointment.

29.2 There shall be published on The Society's website for a period of 14 days before the Annual General Meeting:

29.2.1 a record of the number of attendances of each Committee Member at Committee and Subcommittee meetings held during the previous accounting year; and

29.2.2 copies of the memoranda provided by the candidates for election as Elected Members under Rule 24.1.4.

OFFICERS AND COMMITTEE

30. Appointment of the Chair and Deputy Chair

30.1 A Committee meeting must be held as soon as practicable after each Annual General Meeting or, in the event of a Membership Ballot to elect Elected Members, after the result of the Membership Ballot is certified by the scrutineers or declared by the Chair. At that Committee meeting the Chair and the Deputy Chair shall resign and the Committee (excluding the Chief Executive) shall appoint a Chair and Deputy Chair from among the Elected Members. The retiring Chair and Deputy Chair shall be eligible for re-appointment as Chair or Deputy Chair.

30.2 If, by whatever means, a vacancy exists for Chair or Deputy Chair, the Committee (excluding the Chief Executive) must fill it as soon as practicable from among the Elected Members. The Committee has full functioning powers despite lacking a Chair or Deputy Chair.

30.3 An Elected Member will automatically stop being Chair or Deputy Chair when they stop being an Elected Member except where they retire by rotation at an Annual General Meeting. In this case they will stop being Chair or Deputy Chair only if they are not re-elected at that Annual General Meeting or in the Membership Ballot following that Annual General Meeting.

31. Officers and Committee

31.1 Responsibility of Officers

31.1.1 It shall be a responsibility of the Chair to take the chair at General Meetings and meetings of the Committee and, together with the Deputy Chair, to have regular contact with the executives of The Society through the Chief Executive.

31.1.2 It shall be a responsibility of the Officers to discuss annually with each Committee Member that Committee Member's contribution to The Society and particularly the contribution of any Committee Member who intends to stand for re-election at the next Annual General Meeting.

31.2 Responsibility of Committee

31.2.1 The Committee is responsible for the maintenance of a framework of prudent and effective controls in relation to finance, operations, compliance and other matters for the purpose of enabling risk to be assessed and managed. In carrying out that responsibility, the Committee should regularly, at such intervals as the Committee thinks fit, directly or through others, review the effectiveness of those controls.

EXECUTIVE MANAGEMENT

32. Chief Executive

32.1 The Committee will be responsible for appointing a Chief Executive of The Society. Any appointment will be for the period, on the terms and at the remuneration which the Committee thinks fit and can be revoked.

32.2 The Committee may delegate to the Chief Executive any of the powers exercisable by it in relation to the management of The Society's business affairs, upon such terms and conditions and with such restrictions as it may think fit. It may from time to time revoke or alter all or any of such powers.

33. Appointment of executives and Secretary

33.1 The Chief Executive, with the approval of the Committee, may from time to time appoint such persons as the Chief Executive thinks fit to hold senior executive positions in The Society and to be the Secretary and Assistant Secretary of the Society. Any appointment will be for the period, on the terms and at the remuneration which the Chief Executive, with such approval, thinks fit and can be revoked.

34. The Secretary

34.1 The Secretary (or, failing the Secretary, the Assistant Secretary) must prepare and send all necessary returns to the Registration Authority. The Secretary and Assistant Secretary will also have such other duties as are assigned to each by the Committee.

34.2 Any Assistant Secretary is capable of exercising powers conferred or discharging duties imposed on the Secretary by these Rules.

POWERS AND PROCEEDINGS OF THE COMMITTEE

35. The Committee's powers

35.1 The Committee shall direct The Society's business subject to the Rules and to the Act. It may exercise any of The Society's powers except those required by the Rules or the Act to be exercised by The Society in General Meeting.

35.2 The Committee may invest any part of The Society's funds in any type of investment the Committee thinks appropriate.

35.3 The Committee must have approval (by way of a Special Resolution) of The Society in General Meeting for a sale of the undertaking of The Society or for the sale, other than in the ordinary course of trading, of a substantial part of its assets.

36. Borrowing powers

36.1 The Committee may exercise all the powers of The Society to raise or borrow money for Society purposes. It may secure repayment of any money borrowed or raised by mortgage or charge on any of The Society's property or assets or by issuing debentures or other securities, and may enter into any agreement in connection with The Society's financial affairs, including any agreement for reducing or compensating for any financial risk.

36.2 The total amount borrowed or raised must never exceed an amount equal to the aggregate of the issued share capital, Accumulated Profit Account and Sales Discount Account except with the prior approval (by way of Special Resolution) of The Society in General Meeting.

36.3 The Society shall not carry on the business of banking or take money on deposit, but this shall not prevent The Society receiving payments from Members in respect of future purchases.

37. Declarations of interest by Committee Members

37.1 A Committee Member who is in any way, whether directly or indirectly, interested in a contract or proposed contract with The Society must declare the nature of that interest at the first opportunity at a meeting of the Committee or by written notice to the Committee and may then vote on the contract and count towards the quorum of any Committee meeting which considers the contract or proposed contract.

37.2 A general notice given to the Committee that a Committee Member has an interest of the kind stated in the notice is treated as a standing disclosure that the Committee Member has that interest.

37.3 Interests which are unknown to the Committee Member and which it is unreasonable to expect them to know about are ignored.

38. Effect of Committee Member's interest

38.1 An arrangement or contract entered into by The Society, in which a Committee Member has an interest which has been declared or is to be ignored under Rule 37, will not be invalidated, and the Committee Member will not be obliged to surrender to The Society any benefit resulting from it.

39. Committee Members and remunerated positions

39.1 Except for the Chief Executive, whose position is regulated by Rule 27.1, no Committee Member shall be employed by The Society.

40. Fees and expenses for Committee Members

40.1 Committee Members (except the Chief Executive):

40.1.1 shall be paid the fees from time to time decided by The Society in General Meeting; and

40.1.2 shall each be repaid all their travelling, hotel and other expenses properly incurred:

40.1.2.1 in attending and returning from Committee, Subcommittee and General Meetings; and

40.1.2.2 otherwise connected with The Society's business.

40.2 Unless otherwise agreed by the Committee, the Chief Executive shall not receive any fees under this Rule in addition to their remuneration and expenses as Chief Executive.

41. Committee meetings

41.1 The Committee can decide when to have meetings and how they shall be conducted. The Committee can also adjourn its meetings.

41.2 Any two Committee Members may at any time require the Secretary to summon a Committee meeting, specifying the business to be transacted at the meeting.

41.3 Any or all of the Committee Members, if so agreed by the Chair, can take part in a Committee meeting:

41.3.1 by electronic means, including by way of telephone conference call, video conference or other Electronic Platform, or similar equipment designed to allow everybody to take part in the meeting; or

41.3.2 by a series of telephone calls from the Chair.

Taking part in this way will be counted as being present at the meeting. Meetings will be treated as taking place at the place where most of the participants are and, if there is no such group, or the meeting takes place by a series of calls from the Chair, it will be treated as taking place at the place from where the Chair participates. In the event that a failure in technology means that one or more Committee Members are not able to attend all or part of the meeting then that shall not invalidate the meeting provided a quorum remains throughout.

41.4 A written resolution signed by all the members of the Committee who are entitled to receive notice of a Committee meeting is just as valid and effective as a resolution passed by those Committee Members at a meeting which is properly called and held. A written resolution can be passed using several copies of a document if each copy is signed by one or more Committee Members and can be passed using electronic means.

42. Notice of Committee meetings

42.1 The date and time of every Committee meeting must be notified to Committee Members in the manner from time to time prescribed by the Committee not less than 3 days in advance of the meeting.

43. Voting

43.1 Any question arising at a Committee meeting is to be decided by a majority vote and, where the votes are equal, the Chair is entitled to a casting vote in addition to their vote as a Committee Member.

44. Proceedings at Committee meetings

44.1 The Committee is quorate when 3 Elected Members are present. A quorate meeting is competent to exercise all the powers, authorities and discretions vested in the Committee at that time.

44.2 The Chair will chair all Committee meetings. If:

44.2.1 there is no Chair; or

44.2.2 the Chair is not present within 15 minutes of the appointed time; or

44.2.3 the Chair is unwilling to act as such,

the Deputy Chair shall chair the meeting.

44.3 If:

44.3.1 there is no Deputy Chair; or

44.3.2 the Deputy Chair is not present within 15 minutes of the appointed time; or

44.3.3 the Deputy Chair is unwilling to act as Chair,

Committee Members present must choose one of themselves to chair the meeting.

44.4 Those Committee Members who continue in office at any given time may act despite any vacancy or vacancies in their body. If, however, the number of Committee Members falls below the number required to form a quorum, the remaining Committee Member or Members may act but only to increase the number of Committee Members by appointing Committee Members to fill the vacancies.

45. Subcommittees

45.1 The Committee may appoint Subcommittees consisting of:

45.1.1 at least one Elected Member; and

45.1.2 such other Active Members and employees of The Society as the Committee thinks fit.

45.2 The Committee may delegate any of its powers to a Subcommittee.

45.3 In conducting their business and proceedings, and in exercising powers delegated to them, all Subcommittees must comply with regulations imposed by the Committee from time to time.

46. Validity of the actions of the Committee and Subcommittees

46.1 Everything done by any Committee meeting or Subcommittee meeting or by a person acting as a Committee Member or Subcommittee Member is to be valid even though it is discovered later that anyone was disqualified from being a Committee or Subcommittee Member, or had ceased to be a Committee or Subcommittee Member, or was not entitled to be counted in a quorum or to vote. In any of these cases, third parties dealing with The Society in good faith will be entitled to proceed against The Society as if there was no such defect or irregularity.

AUDIT

47. Duty to appoint an Auditor

47.1 An Auditor must be appointed to audit The Society's revenue account and balance sheet for every accounting year.

47.2 An Auditor must be a qualified auditor under the Act and must not be ineligible for appointment under the Act.

47.3 An Auditor must be appointed by resolution at an Annual General Meeting except that the Committee may appoint an Auditor to fill any casual vacancy occurring between Annual General Meetings.

47.4 An Auditor previously appointed by resolution at an Annual General Meeting to audit The Society's accounts for a particular accounting year is to be reappointed Auditor for following accounting years, regardless of whether or not any General Meeting resolution expressly appointing them has been passed, unless:

47.4.1 a resolution has been passed at a General Meeting appointing somebody else in their stead, or expressly providing that they must not be reappointed; or

47.4.2 the Auditor has given The Society notice in writing of their unwillingness to be reappointed; or

47.4.3 the Auditor is not a qualified auditor when the question of their appointment falls to be considered, or is not eligible for appointment as Auditor of The Society; or

47.4.4 the Auditor has ceased to act as The Society's Auditor by reason of incapacity.

47.5 A resolution at a General Meeting:

47.5.1 appointing a replacement for a retiring Auditor; or

47.5.2 providing expressly that a retiring Auditor be not reappointed, will not be effective unless notice of the intention to move it has been given to The Society at least 28 days before the meeting at which it is to be moved. On receipt of such a notice, The Society must send a copy to the retiring Auditor.

47.6 Where practicable, The Society must notify Members of the intended resolution at the same time and in the same way as it notifies them of the meeting at which the resolution is to be moved. If this is not practicable it must, not less than 14 days before the meeting, notify them by advertisement in an appropriate national medium.

47.7 The retiring Auditor is entitled to make representations in writing to The Society regarding the intended resolution. Where the retiring Auditor does make such representations, or notifies The Society that they intend to do so, The Society must, when it notifies Members of the intended resolution, notify the Members that it has received those representations or that notification, and that any Member may receive on demand made before the General Meeting a copy of any such representations received by The Society before that date.

48. Audit and circulation of Accounts

48.1 In accordance with the Act, the Auditor must make a report to The Society on The Society's revenue account and balance sheet for the accounting year for which they were appointed.

48.2 The Committee must circulate, by any of the means permitted by Rule 82.1, to Active Members (other than those to whom copies of the notice of the relevant Annual General Meeting are not

delivered under Rule 13.3) not less than 14 clear days before the Annual General Meeting, and lay before the Annual General Meeting, a revenue account and balance sheet duly audited, together with a report signed by the Auditor.

48.3 The Society must keep a copy of the latest revenue account and balance sheet together with the Auditor's report displayed in a conspicuous position at its Registered Office.

REGISTER OF MEMBERS

49. The Register

49.1 The Society must keep the Register of Members at its Registered Office and the following particulars must be entered in the Register:

49.1.1 Members' names and postal addresses;

49.1.2 a statement of the number of shares held by each Member and of the amount paid or agreed to be considered as paid up on the shares of each Member;

49.1.3 a statement of other property in The Society held by each Member, whether in loans, advance payment for goods, or otherwise;

49.1.4 the date at which each person was entered in the Register and the date at which they ceased to be a Member;

49.1.5 the names and postal addresses of the Committee Members, Secretary, Chief Executive and other persons required under the Act to be included, the office held by each, and the dates of assuming office; and

49.1.6 where a Member or officer whose particulars are to be kept in the Register pursuant to Rule 49.1.5 has notified to The Society an e-mail or other electronic address for the purpose of receiving notices or documents under the Act, such e-mail or other electronic addresses and the purposes for which they have been notified. Where it appears to The Society that an e-mail or other electronic address shown on the Register is no longer current, that address may be removed.

49.2 The Society must compile the Register in such a way that it is possible to inspect the particulars described in Rules 49.1.1, 49.1.4, 49.1.5 and 49.1.6 and not any other particulars in the Register.

49.3 Members must notify The Society of any change of postal address or e-mail or other electronic address referred to in Rule 49.1.

50. Inspection of the Register

50.1 Any Member is allowed to inspect:

50.1.1 their own entry in the Register in full; and

50.1.2 in respect of other Members, the particulars in the Register apart from those described in Rules 49.1.2 and 49.1.3.

50.2 Subject to regulations as to time or manner of inspection which may from time to time be made by the Committee, such inspection is allowed by prior arrangement with the Secretary at all reasonable hours at the Registered Office.

WITHDRAWAL, SUSPENSION AND EXPULSION

51. No right to withdraw from The Society

51.1 Except in circumstances regarded by the Committee as exceptional, or in the case of Members exercising their right to withdraw under Rule 51.3, Members cannot withdraw their shares in The Society.

51.2 Where the Committee decides that a Member may withdraw, their share will be cancelled and they will receive from The Society the Value Attributable to that share.

51.3 A Member may withdraw their share, issued on joining as a new member or received by transmission of a share following the death of a Member, provided notice of withdrawal is received by the Secretary within 28 days after notice of their election as a Member is delivered to them.

52. When a Member can be suspended or expelled

52.1 A Member can be suspended or expelled from The Society, in accordance with Rule 53, if the Member's conduct is considered by the Committee, in its absolute discretion, to be in breach of the Rules or otherwise injurious to the interests of The Society.

52.2 A Member can be suspended or expelled from The Society by a unanimous resolution of the Committee if that Member has failed to pay for goods ordered from The Society within 2 months of receiving a final demand for payment together with a warning that they may be suspended or expelled if they fail to pay the debt within that period. The terms of, and the conditions relating to, any such suspension will be at the Committee's absolute discretion.

53. Suspension or expulsion for breach of Rules or conduct injurious to The Society

53.1 If the Committee considers, in its absolute discretion, that a Member is engaging in conduct which is in breach of the Rules or otherwise injurious to the interests of The Society it may send that Member a written warning that to persist in such conduct may lead to the Committee suspending or expelling the Member from The Society.

53.2 If the Member persists in the conduct the Committee may notify the Member that the Committee intends to consider that Member's suspension or expulsion from The Society on the grounds that that Member's conduct is in breach of the Rules or otherwise injurious to the interests of The Society.

53.3 The Committee shall permit the Member to see any material proposed to be distributed to the Committee in relation to the conduct and shall also circulate to the Committee any material which the Member wishes to send to the Committee in relation thereto provided that it is of reasonable length and not defamatory.

53.4 The Member shall have the right to address the Committee in justification of the conduct.

53.5 If the Committee passes a unanimous resolution to suspend or expel the Member it shall take effect immediately. The term of, and the conditions relating to, any such suspension will be at the Committee's absolute discretion.

54. Effect of suspension or expulsion

54.1 Suspension

54.1.1 During any period of suspension, the Member shall not be permitted to enter into any transaction with The Society, shall not be entitled to attend any Society function or any premises of the Society and shall not be entitled to receive notice of, attend, participate in or vote at any General Meeting.

54.1.2 If the Committee considers that the Member has ceased the conduct which led to the suspension and is likely to continue to refrain from such conduct, it may lift the suspension and the Member will once again be entitled to exercise the rights of a Member.

54.1.3 Lifting of a suspension under Rule 54.1.2 does not prevent the Committee from imposing any further suspension or expulsion on that Member in relation to future conduct.

54.2 Expulsion

54.2.1 The shares of an expelled Member are cancelled. Written notice of cancellation will be given within 14 days of expulsion. Omission to notify cancellation does not invalidate it.

54.2.2 Cancellation of a share means that the Member's interest in The Society and the Member's claims against The Society in respect of that share and all other rights and liabilities arising indirectly from the share are extinguished as far as The Society and the Member whose share is cancelled are concerned, but subject to Rule 54.2.3.

54.2.3 Upon cancellation of the share, the Member concerned shall be entitled to receive the balance of the Value Attributable to the share after deduction of all claims or demands of The Society.

54.2.4 A person who has been expelled from The Society shall not be eligible to re-apply for membership of The Society and, if any such person becomes a Member, the Committee may expel that Member without notice and the provisions of this Rule 54.2 shall apply in respect of that Member.

TRANSMISSION AND REPAYMENT OF SHARES

55. Death or Corporate Member's reconstruction or dissolution

55.1 Although these Rules declare shares not to be transferable, a share shall be transmitted or repaid under the following Rules when a Member dies or if a corporate body is reconstructed or dissolved.

56. Existence of a nomination

56.1 If a valid nomination (as described in Rule 59) exists, the Member's share shall be transmitted to the person entitled under the nomination.

57. Absence of a nomination

57.1 If a valid nomination does not exist, the Member's share is:

57.1.1 transmitted to the person entitled under the Member's will; or

57.1.2 transmitted to the person entitled under the rules on intestacy as they apply to the Member's estate; or

57.1.3 where the Committee so decides, and if the value of the share does not exceed the statutory limit for small payments to heirs, transmitted to whoever appears to the Committee

to be entitled by law to receive it on whatever evidence seems to the Committee to be satisfactory.

57.2 Those who would be entitled to the Member's share under the Member's will or the rules of intestacy as they apply to the Member's estate or on the corporate Member's reconstruction or liquidation can request by letter to the Secretary that the Member's share to which they would be entitled is transmitted to anyone who could have been nominated by the Member.

58. Repayment

58.1 In any of the cases described under Rules 56 and 57, the person who would be entitled to receive the Member's share may instead choose to receive the Value Attributable to that share and the share shall be cancelled.

59. Nomination rights

59.1 An individual Member can (subject to any limitations imposed by statute) nominate any person eligible to be a Member to become entitled on the Member's death to the Member's share in The Society.

59.2 A Corporate Member can (subject to any limitations imposed by statute) nominate any person eligible to be a Member to become entitled on any reconstruction or dissolution of the Member to the Member's share in The Society.

60. Limit on validity of nominations

60.1 Any nomination shall only be valid, and shall only take effect, for a sum up to or equal to the amount permitted from time to time in respect of that nomination under the Act.

61. Procedure for making nominations

61.1 Nominations must be made by written statement signed by the Member and delivered at, or sent to, the Registered Office, or made in the Nominations Book.

62. Procedure for revoking nominations

62.1 Nominations can be revoked or varied by a later nomination made by written statement signed by the Member and delivered at, or sent to, the Registered Office, or made in the Nominations Book. Nominations cannot be revoked or varied by a will or codicil made by the Member.

63. The Nominations Book

63.1 The Society shall maintain a Nominations Book and record in it:

63.1.1 the names and addresses of persons nominated;

63.1.2 revocations and variations of nominations.

64. The Effect of a Member's marriage or civil partnership on nominations

64.1 A Member's marriage or civil partnership shall revoke any nomination made before that marriage or the formation of the civil partnership. However, if The Society permits the transmission of a share to a nominee in ignorance of a marriage contracted or civil partnership formed after the date of the nomination, the receipt of the nominee shall be a valid discharge to The Society and The Society shall be under no liability to any other person claiming the shares.

65. Proposed transmission to an existing member

65.1 If a nomination under Rule 56 or transmission under Rule 57 is in favour of an existing Member, that Member may choose whether to retain their original share or the transmitted share. The share which the Member chooses not to retain may be transmitted to a person selected by the Member or the Value Attributable to it may be paid out to the Member.

66. When the person entitled to shares is under 18

66.1 Where a person nominated or entitled is under 18 years of age, the Committee may permit the share to be transmitted:

66.1.1 to either parent; or

66.1.2 to a guardian of the nominee; or

66.1.3 to any other person aged 18 years or over considered by the Committee to be fit and proper for this purpose

provided that the person concerned undertakes to hold the share on trust for or for the benefit of the person nominated.

66.2 Alternatively the Committee may, at its discretion, pay to any person as described in Rule 66.1 the Value Attributable to the share to which they would have been entitled.

66.3 The receipt of the parent, guardian or other person, as the case may be, discharges The Society from further liability for the share, its proceeds of sale or any sum paid.

67. The Committee must have proof of death

67.1 Before the Committee permits any transmission of shares, it must satisfy itself that it has sufficient proof of the Member's death or corporate Member's reconstruction or dissolution.

68. Payment to persons who appear entitled

68.1 All payments or transfers made by the Committee under these Rules to anyone who at the time appears to it to be entitled under these Rules will be regarded as valid for all purposes.

69. Following the bankruptcy or liquidation of a Member

69.1 The Society shall treat the trustee in bankruptcy or liquidator of a Member as if they were the holder of the Member's share.

APPLICATION OF PROFITS

70. How net profits are to be applied

70.1 The Society's net profits (if any) for any accounting year are to be applied as follows:

70.1.1 first, by crediting to the Accumulated Profit Account sums in accordance with Rule 71;

70.1.2 second, by crediting to the Sales Discount Account sums in accordance with Rule 73, in respect of discounts for Members on what they have paid or owe on transactions with The Society in the relevant accounting year;

70.1.3 third, by crediting the balance (if any) to The Society's profit and loss account.

71. Transfer of sums to the Accumulated Profit Account

71.1 The Accumulated Profit Account will be maintained as follows:

71.1.1 the Committee may in its absolute discretion (but subject to Rule 70), resolve, at any time prior to the end of any accounting year, that a sum which is a percentage (to be specified in the resolution) of the total amount of the Share Capital and the Accumulated Profit Account, as it will be immediately prior to the end of the accounting year, shall be transferred at the end of the accounting year from The Society's net profits, including profits of previous accounting years retained by The Society, to the Accumulated Profit Account;

71.1.2 a sum credited to the Accumulated Profit Account in this way must be apportioned between and credited to The Society's shares issued at the end of the relevant accounting year, in proportion to the total amounts already credited in the books to those shares in respect of share capital and the Accumulated Profit Account;

71.1.3 subject to Rule 74, any amount credited to a Member's share under this Rule will remain so credited and will not be distributed to Members.

72. Calculating transfers to the Accumulated Profit Account

72.1 The total sum transferred to the Accumulated Profit Account in respect of any accounting year, expressed as a percentage of the total amount of the share capital and Accumulated Profit Account as at the end of that accounting year, must be such that the average of:

72.1.1 the percentage for that year together with

72.1.2 the percentage for each previous year of account, commencing with the accounting year ended 30th January 1998, calculated by reference to the total amount of the share capital and Accumulated Profit Account at the end of the relevant accounting year, including any for which the percentage was nil,

does not exceed 5%.

73. Transfer of sums to Sales Discount Account

73.1 The Sales Discount Account will be maintained as follows:

73.1.1 the Committee may in its absolute discretion resolve, at any time prior to the end of any accounting year, that a sum which is a percentage (to be specified in the resolution) of the total value of each Member's transactions during that accounting year shall be transferred at the end of the accounting year from The Society's net profits, including profits of previous accounting years retained by The Society, to the Sales Discount Account;

73.1.2 a sum credited to the Sales Discount Account in this way must be credited to The Society's shares issued at the end of the relevant accounting year in proportion to the total value of each Member's transactions during the relevant accounting year;

73.1.3 subject to Rule 74, any amount credited to a Member's share under this Rule will remain so credited and will not be distributed to Members.

74. Payments out of the Accumulated Profit Account and Sales Discount Account

74.1 The Committee can decide at its absolute discretion from time to time to pay to the Members, in proportion to their respective interests in the relevant Account, the whole, or such proportion as it shall

think fit, of the amounts for the time being standing to the credit of the shares of the Members in the Accumulated Profit Account or Sales Discount Account.

74.2 No Member has any entitlement to demand or to obtain payment from The Society of any of the amount credited to their shares in the Accumulated Profit Account or Sales Discount Account until their share is cancelled or The Society is dissolved. Any amendment of this Rule 74.2 must be by way of a Special Resolution.

74.3 Any sum for the time being credited to any share in the Accumulated Profit Account or Sales Discount Account shall remain so credited notwithstanding any transmission of the share.

PROFITS AND RESERVES

75. Maintenance of the A Shareholders' Reserve

75.1 The Society shall maintain the A Shareholders' Reserve established on 2nd April 1952.

76. Power to capitalise reserves

76.1 The Society in General Meeting can resolve, on the Committee's recommendation, to capitalise all or part of the amounts credited to:

76.1.1 the profit and loss account; or

76.1.2 any reserve account of The Society (including, for these purposes, any reserve fund and the Share Premium Account, but excluding the A Shareholders' Reserve, the Accumulated Profit Account and the Sales Discount Account).

76.2 The capitalisation resolution shall authorise and direct the Committee to appropriate the sum resolved to be capitalised to the Members and to every person to whom a share has been agreed to be issued in proportion to the number of shares held and agreed to be issued respectively.

76.3 The capitalisation resolution shall authorise and direct the Committee to apply the sum resolved to be capitalised in or towards increasing the amounts paid up on the shares issued and agreed to be issued to such persons.

DISSOLUTION

77. Circumstances in which The Society may be dissolved

77.1 The Society may be dissolved at any time by:

77.1.1 consent of three-quarters of the Members, certified by their signing the instrument of dissolution required by the Act; or

77.1.2 winding-up as specified under the Act.

77.2 Any amendment of Rule 77 must be by way of a Special Resolution.

78. How The Society's assets are to be applied on dissolution

78.1 On The Society's dissolution, the amount left over after The Society's debts and liabilities have been satisfied must be applied in the following order of priority:

78.1.1 first, in paying the Members ranking equally as one class whatever is credited to their shares in the Accumulated Profit Account;

78.1.2 second, in paying the Members the nominal amount of every share held by them;

78.1.3 third, in paying to the holders of the A shares the sum of £11,852.40, which constitutes the sum standing to the credit of the A Shareholders' Reserve, each such holder receiving a sum in proportion to the number of A shares held by that holder;

78.1.4 fourth, by paying to the Members the amounts credited to them respectively in the Sales Discount Account;

78.1.5 fifth, anything remaining is then to be divided among the Members in proportion to the amount paid up or deemed to be paid up on their shares. For this purpose, premiums paid in respect of B shares do not qualify as an amount paid up or deemed to be paid up on the B shares.

AMENDMENT OF THE RULES

79. How the Rules can be amended

79.1 New rules, amendments or revocations of these Rules can only be made by a resolution (which, if so provided in the applicable Rule, must be a Special Resolution) passed at a General Meeting or, if a Membership Ballot is duly demanded, on that ballot.

79.2 New rules or amendments of revocations will be valid only after registration.

80. Procedure for amending the Rules

80.1 The Committee must give at least 3 months' notice to Members of any proposal to make a new rule or amend or revoke one, setting out the text of the proposed new rules, amendments or revocations. Notice of such a proposal may be sent to Members in advance of copies of the Notice of the General Meeting. Any modifications made after sending out the first proposals must be sent with the Notice of the General Meeting.

80.2 Members may give to the Committee, not more than one month after the date of the notice given under Rule 80.1, notice of any proposed addition to or amendment of the Committee's proposals. The Secretary must include the text of Members' proposed additions or amendments in the Notice of the General Meeting other than any proposed amendments or additions which:

80.2.1 are incorporated into the Committee's proposals and notified to Members as such; or

80.2.2 are withdrawn by the Member concerned; or

80.2.3 are, in the opinion of the Chair, ineffective, repetitious or defamatory.

80.3 Rule 12 deals with the procedure for proposals to change the Rules put forward by Members.

ADMINISTRATION

81. Seal

81.1 The Society must have its name engraved in legible characters on a seal with the following design:



or whatever other design The Society in General Meeting may approve from time to time.

81.2 The Seal is to be kept in the custody of the Secretary and is to be used only as authorised by Committee resolution.

81.3 Any document bearing the Seal shall state the date of the resolution authorising the use of the Seal, and shall be witnessed by two Committee Members or one Committee Member and the Secretary.

81.4 A document signed by two authorised signatories and expressed (in whatever form of words) to be executed by The Society, has the same effect as if it were executed under The Society's Seal.

82. Notices, Membership Ballot papers and other documents

82.1 Notices, Membership Ballot papers and other documents to be sent pursuant to these Rules shall be delivered, and votes on a Membership Ballot may be cast, by post or, if agreed (generally or specifically) with the Member concerned, by e-mail or other electronic means.

However, at such time as it is permitted by law, such Notices, Membership Ballot papers and other documents shall thereafter be delivered, and/or votes on a Membership Ballot shall thereafter be cast, by e-mail or other electronic means or, if requested by the Member concerned and permitted by the Committee, by post (provided that any Member who was a Member on or before the date of the relevant change in law, and who had not on or before that date agreed to receipt, or to cast their votes, by e-mail or other electronic means, shall be deemed to have requested, and to have been permitted by the Committee, to receive such Notices, Membership Ballot papers and other documents, and/or to cast their votes, by post until and unless that Member agrees (generally or specifically) otherwise).

82.2 If a Notice, Membership Ballot paper or any other kind of document is sent through the post, it is treated as being delivered on the day after it was posted (or on the day after that, if second class post is used). It can be proved that a Notice, Membership Ballot paper or other document was delivered by post (or internal post) by showing that the letter containing the Notice, Membership Ballot paper or document:

82.2.1 was properly addressed to the Member's postal address currently entered in the Register; and

82.2.2 was put into the postal system with postage paid (where applicable);

82.3 If a Notice, Membership Ballot paper or any other kind of document is sent by e-mail or other electronic means, it is treated as being delivered on the day on which the document or information was sent. It can be proved that a Notice, Membership Ballot paper or other document was delivered by e-

mail or other electronic means by showing that the e-mail or other means of communication containing the Notice, Membership Ballot paper or document:

82.3.1 was properly addressed to the Member's e-mail or other electronic address currently entered in the Register; and

82.3.2 was sent by e-mail or other electronic means.

82.4 If a Member is present at any General Meeting, either in person or through a company representative, they will be treated as having received notice of the General Meeting.

82.5 If any Notice, Membership Ballot paper or other document to be sent pursuant to these Rules is not sent either accidentally or because the postal address or, as the case may be, e-mail or other electronic address of the Member is no longer known to The Society or because The Society reasonably believed that the Member was dead or it was sent but not received, the General Meeting, Membership Ballot or circulation will not be invalid as a result.

83. Directors' and Officers' Insurance

83.1 The Society is authorised to and has the power to purchase and maintain insurance for the purposes of:

83.1.1 indemnifying the Officers and other Committee Members against any liability which they or any of them may incur, in respect of negligence, default, breach of duty or breach of trust for which they may be liable in relation to The Society, and

83.1.2 indemnifying The Society itself as reimbursement for indemnity actually and lawfully provided to the Officers and other Committee Members.

DEFINITIONS

84. Definitions

84.1 Except where the context requires otherwise, the singular includes the plural and vice versa.

84.2 The words and expressions capitalised below are defined or explained in the Rules indicated below.

"A Shareholders' Reserve" means the account maintained in accordance with Rule 75.

"Accumulated Profit Account" "Sales Discount Account" and "Share Premium Account" mean the accounts maintained in accordance with Rules 71, 73 and 9 respectively.

"Act" means the Co-operative and Community Benefit Societies Act 2014 or any statutory modification or re-enactment thereof for the time being in force.

"Active Member" and "Non-Active Member" have the meanings defined in Rule 6.

"Chair" means the person appointed Chair pursuant to Rule 30 or, as the context admits, such other person as is appointed chair of a General Meeting or a Committee meeting.

"Committee" means the Committee of The Society referred to in Rule 22 and "Subcommittee" shall be construed accordingly.

"Committee Member" means a member of the Committee and "Subcommittee Member" means a member of a Subcommittee.

"Elected Member" and "Co-opted Member" have the meanings defined in Rule 22.

“Electronic Platform” means one or more electronic facilities as may be approved by the Committee from time to time that enable Members to attend and participate simultaneously in a General Meeting, or Committee Members to attend and participate simultaneously in a Committee meeting, without attending a physical meeting place.

“General Meeting” means the Annual General Meeting referred to in Rule 11 or a Special General Meeting as referred to in Rule 12.

“Member” has the meaning identified in Rule 4.

“Membership Ballot” means a ballot held under Rule 19.

“Nominations Book” means the book of nominations maintained under Rule 63.

“Notice” means a notice of General Meeting referred to in Rule 13.

“Officers” means the Chair and Deputy Chair.

“Register” means the register of Members of The Society.

“Registered Office” means the office registered as such under the Act.

“Registration Authority” means the Financial Conduct Authority or its successor body from time to time.

“Secondary Meeting Place” means a secondary meeting place (or more than one such place) for a General Meeting at which Members may attend and participate in the General Meeting simultaneously as an alternative to attending the principal physical meeting place.

“Show of Hands” means an indication of voting intention shown by:

- in the case of a physical meeting (whether at one physical place or including one or more Secondary Meeting Places), the raising of hands by Members present at the physical location(s), subject as provided in Rule 13.14; and
- in the case of a meeting held solely using an Electronic Platform, the votes registered by Members using the method prescribed by that Electronic Platform for voting at the meeting; and
- in the case of a meeting held both physically and using an Electronic Platform, a combination of the raising of hands by Members present at the physical meeting(s) and the votes registered by Members using the method prescribed by the relevant Electronic Platform for that meeting, subject as provided in Rule 13.14.

“Special Resolution” means a resolution passed at a General Meeting or, if demanded, on a Membership Ballot by a majority of 75 per cent of votes cast in favour of the resolution.

“Transaction” or “transactions” includes transactions of all kinds between The Society and its Members other than the transactions relating to shares in The Society.

“Value Attributable” in relation to a share in The Society means an amount equal to the aggregate of the amount paid up on the share and the amounts credited to the Accumulated Profit Account and Sales Discount Account in respect of that share.

“Writing” and “written” means representing or reproducing words in a visible form, including by way of typing, printing, lithography, photography and other modes, and includes e-mail and electronic communications and “signed” and “signature” includes the writing or otherwise affixing of a person’s name with the intention of authenticating the document as being that of, or binding on, the person whose name is so written or affixed. The signature may be affixed by the name being typed in an electronic communication such as an e-mail.

84.3 References to Elected Members and Co-opted Members shall include those persons holding office as such at the date of registration of these Rules.

The foregoing Rules of The Society were registered under the Co-operative and Community Benefit Societies Act 2014 on 17 August 2022.

