Plunkett Foundation

Model Rules for Community Ownership

Version 6

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Rules sponsored by the Plunkett Foundation

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Table of Contents

Clause	Contents
1	INTRODUCING THE SOCIETY AND THE RULES
2	GOVERNANCE
3	MEMBERS
4	MEMBERS' MEETINGS
5	MANAGEMENT COMMITTEE
6	REPORTING
7	CHANGE
8	SHARE CAPITAL
9	ADMINISTRATIVE
10	START-UP PROVISIONS
11	TRANSITION PROVISIONS
12	SIGNATURES
	APPENDIX

OVERVIEW AND DEFINITIONS

1 The Rules should be read and understood on the basis of what is set out below.

2 Words in the singular include the plural, and words in the plural include the singular.

3 Any reference to legislation includes any subsequent enactments, amendments and modifications, or any subordinate legislation.

4 The section, rule and paragraph headings are inserted for convenience only and shall not affect the interpretation of the Rules.

5 The following words and phrases have the special meaning set out below.

"the Act"	The Co-operative and Community Benefit Societies Act 2014 and any statutory modification or re-enactment thereof for the time being in force
"Company"	A company registered with limited liability under the Companies Act 2006 or any previous Companies Act,
"Financial Conduct Authority"	Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN or such other body as succeeds to its functions in respect of registered societies
"Partner"	A person living with another in the same household as a couple, irrespective of their sex or sexual orientation
"Plunkett Foundation"	Plunkett Foundation a charitable company registered with Companies House with company number 00213235 and with the Charity Commission with charity number 313743 of The Quadrangle, Woodstock, Oxfordshire, OX20 1LH and any successor body;
"Society"	The society named at Rule 1.1 being a society registered with limited liability under the Co-operative and Community Benefit Societies Act 2014
"Secretary"	Means the person appointed to be the Secretary of the Society appointed in accordance with Rule 5.20.
"Electronic Communication"	Shall have the meaning in s.148 of the Act. For the avoidance of doubt, this includes email and fax.
"In Writing"	Wherever the term "in writing" is used it shall include any communication or document sent in electronic form unless otherwise stated in the rules.
"Resolution"	A matter put to the vote at a members' meeting or by written resolution. The Secretary is responsible for recording the outcome of the vote and whether the resolution is approved or rejected.
"Special Resolution"	Means a resolution requiring majority approval of at least two-thirds or three-quarters, as may be specified in these Rules or as defined by the Act

6 The following words or phrases are introduced in the rule specified in each case.

Words or Phrases	**Rule**

Annual Members' Meeting	4.1
Annual Accounts	6.1
Auditor	6.2
Chairperson	5.11
Management Committee	5.1
Member	3.2
Members' Meeting	4
Membership Strategy	3.1.1
Objects	9.2
Proxy	4.22
Purpose	1.2
Register of Members	3.2
Secretary	5.20
Special Members' Meeting	4.2
Treasurer	5.11
Vice-Chairperson	5.11

1 INTRODUCING THE SOCIETY AND THE RULES

Name

1.1 The society is called East Wells Community Benefit Society (EWCBS) and it is called "the Society" in these Rules.

Registration and Registered Office

The Society is registered under the law as a society for the benefit of the community with the ***Financial Conduct Authority***. The Society's registered office is; - 27, Churchill Road, Wells, Somerset. BA5 3HZ

Why the Society exists

1.2 The Society exists in order to carry on business for the benefit of the community. This is the Society's Purpose. The Society's Objects shall be: The Purchase, restoration, and operation of the Britannia Inn as a Pub / Hub for the benefit of the community.

Commitments

1.3 The Society is committed to

1.3.1 trading for the benefit of the community, and not for anyone's private benefit;

1.3.2 retaining profits and applying profit to advance the Society's Purpose and Objects and/or in accordance with these Rules.

Governing documents

1.4 These Rules set out the way in which the Society is owned, organised and governed.

1.5 In addition to the Rules, the Management Committee may make other provisions concerning how the Society operates, such as your code of conduct for the Management Committee. Such provisions must not be inconsistent with the Model Rules.

1.6 In the Rules

1.6.1 words starting with a capital letter (like Rules) refer to a defined term and the Guidance Notes identify the rule which makes this apparent; and

1.6.2 words which are highlighted in italics (like ***partner***) have a special meaning and the Overview and Definitions section lists all of these words and explains what they mean.

2 GOVERNANCE

Overview

2.1 The Society has Members, a Management Committee, and a Secretary.

Members

2.2 Membership is the means by which the Society is owned by the community. Membership provides Members with access to information, a voice in the Society, and the opportunity to be elected to a representative role in its governance. Membership of the Society is achieved by complying with the requirements of Rule 3.3, including the purchase of the minimum number of shares defined in Rule 8.3.

Information

2.3 Members are entitled to receive information, about the Society, and its business as provided for in the Rules. Information may be sent or supplied by electronic means subject to the Society's privacy policy.

Voice

2.4 Members have a voice in the Society's affairs as provided in the Rules, by

2.4.1 attending, speaking and submitting matters to be considered at Members' Meetings;

2.4.2 proposing resolutions and voting at Members' Meetings;

2.4.3 electing representatives to the Management Committee at Members' Meetings.

Representation

2.5 Subject to qualification criteria, Members may stand for election to the Management Committee.

Management Committee

2.6 Subject to the Rules, the Management Committee manages the affairs of the Society and may exercise all of its powers.

2.7 The Management Committee is collectively responsible for everything done by or in the name of the Society, but on that basis it may

2.7.1 delegate any of the powers which are conferred on it under these Rules, to any person or committee consisting of members of the Society, on such terms and conditions as they think fit;

2.7.2 delegate to any employee responsibility for day-to-day management of some or all of the Society's business;

2.7.3 authorise members of the Management Committee to deal with specific matters;

2.7.4 make use of the services of volunteers.

3 MEMBERS

3.1 The Society shall encourage people to become Members, and to that end, the Management Committee shall

3.1.1 maintain a membership strategy for that purpose;

3.1.2 update the Members at the Annual Members' Meeting about the Society's membership and the Membership Strategy.

3.2 The Members of the Society are those whose names are listed in its Register of Members.

3.3 Membership is open to any person (whether an individual, a corporate body or the nominee of an unincorporated organisation) who completes an application for membership in the form required by the Management Committee and

3.3.1 is over 18 years of age;

3.3.2 supports the Society's Purpose and Objects;

3.3.3 pays for the minimum number of shares required by the Rules;

3.3.4 agrees to pay an annual subscription (if there is one); and

3.3.5 whose application is accepted by the Management Committee.

3.4 The Management Committee may refuse any application for membership at its absolute discretion.

3.5 A Member which is a corporate body shall appoint a representative to attend Members' Meetings on its behalf, and otherwise to take part in the affairs of the Society. Such appointment shall be made in writing, signed on behalf of the governing body of the corporate body.

3.6 The Management Committee may divide Members into constituencies, based on geography, the nature of their interest in the Society, or any other relevant factor. If Members are divided into constituencies

3.6.1 the Members in each constituency will be able to elect at least one representative from amongst their number to the Management Committee;

3.6.2 no person may be a Member within more than one constituency; and

3.6.3 the Chairperson shall make any final decision about the constituency which a Member belongs to.

Cessation of Membership

3.7 A person ceases to be a Member of the Society in the following circumstances:

3.7.1 they resign in writing to the Secretary;

3.7.2 being an individual, they die;

3.7.3 being a corporate body, they cease to exist;

3.7.4 being a nominee of an unincorporated organisation, the organisation replaces them as its nominee;

3.7.5 they are expelled from membership under the Rules;

3.7.6 the Secretary removes them from the Register of Members, after completing procedures approved by the Management Committee on the grounds that the Society has lost contact with the Member

after making three attempts to contact the Member within a six month period.

When a person ceases to be a Member under rule 3.7, they will be removed from the Register of Members and the value of their shares will be held as a loan in accordance with rule 8.7.

3.8 A Member may be expelled by a resolution approved by not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting. The following procedure is to be adopted.

3.8.1 Any Member may complain to the Secretary in writing that another Member has acted in a way detrimental to the interests of the Society. Should the Secretary, being a member, wish to complain, this should be in writing to the Chairperson.

3.8.2 If a complaint is made, the Management Committee may itself consider the complaint having taken such steps as it considers appropriate to ensure that each Member's point of view is heard and may either:

3.8.2.1 dismiss the complaint and take no further action; or

3.8.2.2 for a period not exceeding twelve months suspend the rights of the Member complained of to attend Members' Meetings and vote under the Rules;

3.8.2.3 arrange for a resolution to expel the Member complained of to be considered at the next Management Committee Meeting.

3.8.3 If a resolution to expel a member is to be considered at a Management Committee Meeting, details of the complaint must be sent to the Member complained of not less than fourteen days before the meeting with an invitation to answer the complaint and attend the meeting.

3.8.4 At the meeting the Management Committee will consider evidence in support of the complaint and such evidence as the Member complained of may wish to place before them.

3.8.5 If the Member complained of fails to attend the meeting without due cause, the meeting may proceed in their absence.

3.8.6 A person expelled from membership will cease to be a member upon the declaration by the Chairperson of the meeting that the resolution to expel them is carried.

3.9 No person who has been expelled from membership is to be re-admitted except by a resolution carried by the votes of not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting.

4 MEMBERS' MEETINGS

4.1 Every year, the Society shall hold an Annual Members' Meeting, within six months of the close of their financial year end.

4.2 Any other Members' Meetings are Special Members' Meetings.

4.3 The Management Committee (except where otherwise provided in the Rules) convenes Members' Meetings, and decides the date, time and the business of any Members' Meeting and of any adjourned meeting. Members' Meetings can take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to be present in person at the meeting whether or not all attendees are assembled in one place.

Annual Members' Meeting

4.4 The functions of the Annual Members' Meeting shall include:

4.4.1 receiving from the Management Committee the Annual Accounts for the previous financial year; a report on the Society's performance in the previous year, and plans for the current year and the next year;

4.4.2 receiving from the Management Committee a report on the state of the membership and the Membership Strategy;

4.4.3 appointing any financial Auditors, and external Auditors of any other aspect of the performance of the Society;

4.4.4 declaring the results of elections of those who are to serve on the Management Committee;

4.4.5 any other business included in the notice convening the meeting.

Special Members' Meetings

4.5 Special Members' Meetings are to be convened by the Secretary either by order of the Management Committee, or if a written requisition signed by not less than 12 Members or 10% of all Members (whichever is less) is delivered, addressed to the Secretary, at the Society's registered office or sent electronically. In the absence of the Secretary, any member of the Management Committee may convene a Special Members' Meeting.

4.6 Any requisition must state expressly the purpose for which the meeting is to be convened and whether it is intended to put a resolution to the vote by the Members.

4.7 A Special Members' Meeting called in response to a Members' requisition must be held within 28 days of the date on which the requisition is delivered to the registered office. The meeting is not to transact any business other than that set out in the requisition and the notice convening the meeting.

Notice of Members' Meetings

4.8 Notice of a Members' Meeting is to be given at least 14 clear days before the date of the meeting, by written notice posted or delivered by hand or sent by Electronic Communication to every Member at the address or Electronic Communication address given in the Register of Members.

4.9 The notice must state whether the meeting is an Annual Members' Meeting or Special Members' Meeting, give the time, date and place of the meeting, and set out the business to be dealt with at the meeting including details of any resolutions that will be voted upon.

4.10 Seventy-five per cent of Members may agree, by consenting in writing, or by confirming through Electronic Communication, to a Members' Meeting being held with less notice than required by Rule 4.8.

Procedure at Members' Meetings

4.11 Members' Meetings are open to all Members. The Management Committee may invite particular individuals or representatives of particular organisations to attend a Members' Meeting but they shall not vote.

4.12 Before a Members' Meeting can do business, a minimum number of Members (a quorum) must be present. Except where these Rules say otherwise a quorum is present if 5 Members or 10% of the Members entitled to vote at the meeting (whicheveris greater) are present in person.

4.13 If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall be dissolved if it has been requisitioned by the Members. Any other meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such time and place as the Management Committee determine. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of Members present during the meeting is to be a quorum.

4.14 The Chairperson shall chair a Members' Meeting. If neither the Chairperson, Vice-Chairperson nor any other member of the Management Committee is present, the Members present shall elect one of their number to be Chairperson (to be decided by a majority of the Members).

4.15 The Chairperson may, with the consent of the meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place. But no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No notice of an adjourned meeting needs to be given unless the adjournment is for 21 days or more.

Voting at Members' Meetings

4.16 Subject to these Rules and to any Act of Parliament, a resolution put to the vote at a Members' Meeting shall, be decided upon by a show of hands or by proxy.

4.17 The Management Committee may introduce arrangements for Members to appoint a proxy on their behalf in accordance with Rule 4.22.

4.18 Every Member is to have one vote on a show of hands. Where proxy or electronic voting arrangements have been introduced, every Member who has voted by such method shall also have one vote. In the case of an equality of votes, the Chairperson of the meeting is to have a second or casting vote.

4.19 Unless these Rules or an Act of Parliament say otherwise, all resolutions are to be decided by a simple majority of the votes cast.

4.20 Subject to the Act, a resolution in writing signed or confirmed by letter or by Electronic Communication by or on behalf of the requisite majority of the Members for the time being entitled to vote on the relevant resolution be shall be valid and effective as if it had been passed at a Members' Meeting duly convened and held provided that a copy of the proposed resolution has been delivered in accordance with these Rules to all Members and the requisite majority of Shareholders referred to in Rule 4.21 have delivered their agreement in accordance with these Rules. Such a resolution may consist of several documents in the same form each signed by one or more Members.

4.21 For the purposes of Rule 4.20, the requisite majorities are

4.21.1 in the case of an ordinary resolution a simple majority of Members who would have been entitled to vote had the resolution been proposed at a properly called and constituted Members' Meeting;

4.21.2 in the case of a resolution requiring a two-thirds majority of Members, at least two-thirds of the Members who would have been entitled to vote had the resolution been proposed at a properly called and constituted general meeting; or

4.21.3 in the case of a resolution requiring a three-quarters majority of Shareholders, at least three-quarters of the Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted general meeting.

Proxies

4.22 Any Member entitled to attend and vote at a Members' Meeting may appoint another person, whether or not a Member as their proxy to attend and vote on their behalf. A proxy can be appointed by delivering a written appointment, which may be by way of Electronic Communication, to the registered office, or such other place as may be selected by the Management Committee and stated in the meeting notice, at least 24 hours before the date of the meeting at which the proxy is authorised to vote. It must be signed or confirmed by Electronic Communication and sent by the Member or a duly authorised attorney. Any proxy form delivered late shall be invalid. Any question as to the validity of a proxy shall be determined by the Chairperson of the meeting whose decision shall be final.

5 MANAGEMENT COMMITTEE

Composition of the Management Committee

5.1 The Management Committee shall comprise not less than three and not more than 12. members, who shall mainly be elected by and from the Members. Not more than one quarter of the Management Committee may comprise persons co-opted by the Management Committee.

5.2 If Members are divided into constituencies, the Management Committee shall include persons elected by and from the Members in each constituency, and the Management Committee shall strive to ensure that its composition appropriately reflects the various constituencies.

5.3 If the size of the Management Committee falls below three, it may act only for the purpose of calling a Members' Meeting, the business of which shall be the election of new members to the Management Committee, and not for any other purpose.

Elections, appointments and removals

5.4 Elected members of the Management Committee hold office for a period commencing immediately after the Members' Meeting at which their election is declared and ending at the conclusion of the third Annual Members' Meeting after that or until they resign or are removed from office in accordance with Rule 5.10.

5.5 Members can be co-opted by the Management Committee at any time. Co-optees appointed under this Rule 5.5 shall serve until the next Annual Members' Meeting after their appointment where they may be elected.

5.6 A person retiring from office shall be eligible for re-election or re-appointment for up to three consecutive terms after which they must not be elected or appointed for a period of 12 months.

5.7 Elections shall be carried out in accordance with procedures determined by the Management Committee.

5.8 Only a Member over the statutory minimum age may be elected or appointed to serve on the Management Committee.

5.9 The Management Committee will adopt a code of conduct, and every member of the Management Committee must sign a copy of the code on appointment and comply with the terms of such code of conduct throughout their tenure.

5.10 A member of the Management Committee shall immediately vacate their office if they:

5.10.1 resign from office in writing to the Secretary or Chairperson;

5.10.2 cease to be a Member;

5.10.3 become bankrupt or subject to a disqualification order made under the Company Directors Disqualification Act 1986;

5.10.4 are removed from office by a resolution passed by a two-thirds majority of those voting at a meeting of the Management Committee, on the grounds that in the opinion of the Management Committee, they are in serious breach of the Management Committee's code of conduct or have not performed the duties which they agreed to perform or which they could reasonably have been expected to perform and it is not in the interests of the Society that they should continue in office;

5.10.5 are removed from office by a simple majority of the Members in a Special Members Meeting, the notices for which specified thatthe question of the Management Committee Member removal was to be considered.

5.11 The Management Committee shall elect from amongst themselves a Chairperson, Vice-Chairperson and a Treasurer. They may also choose to elect a Secretary in accordance with rule 5.19. These officers shall have such functions as the Rules or the Management Committee specify, and they shall serve until they are removed or replaced by the Management Committee, or until they resign.

Meetings of the Management Committee

5.12 The Management Committee shall hold such meetings as it considers appropriate to discharge its roles and responsibilities. Meetings can take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to be present at the meeting whether or not all are assembled in one place.

5.13 Every meeting of the Management Committee shall be chaired by the Chairperson, or in their absence the Vice-Chairperson, or in their absence another member of the Management Committee chosen by those present.

5.14 Three members of the Management Committee present in person shall comprise a quorum.

5.15 Unless the Rules provide otherwise, in the event of a decision to be made by a vote at meetings of the Management Committee, the decision shall be decided by a simple majority of votes. Each member of the Management Committee shall have one vote, and in the event of a tied vote, the Chairperson of the meeting shall have a second or casting vote.

5.16 A resolution sent to all members of the Management Committee and signed or confirmed by Electronic Communication by a simple majority or such majority required in these Rules has the same effect as a resolution validly passed at a meeting of the Management Committee. Each member of the Management Committee may sign a separate copy of the resolution and send a signed copy to the Secretary by Electronic Communication.

Disclosure of Interests

5.17 A member of the Management Committee shall declare an interest and shall not vote in respect of any matter in which they, or their spouse or ***partner*** or immediate relative, have a personal, financial or other material interest. If they do vote, their vote shall not be counted.

Remuneration

5.18 Members of the Management Committee are not entitled to any remuneration, but they may be reimbursed for reasonable expenses incurred in connection with the Society's business.

Secretary

5.19 The Society shall have a Secretary who shall be appointed by the Management Committee and who may be an employee. The Management Committee may also appoint a deputy Secretary (who may also be an employee) to act as Secretary in the Secretary's absence. The Secretary's duties will be clearly set out in writing and agreed by the Management Committee.

5.20 The Secretary

5.20.1 has the functions set out in the Rules and any other functions that the Management Committee assigns;

5.20.2 acts as Returning Officer at all Society meetings and is responsible for the conduct of all voting described in the Rules and records the outcome of all matters put to a vote;

5.20.3 has absolute discretion to decide any issue or question which the Rules require the Secretary to decide.

6 REPORTING

Preparation of Accounts

6.1 In respect of each year of account, the Management Committee shall cause Annual Accounts to be prepared by a qualified auditor which shall include:

6.1.1 a revenue account or revenue accounts which singly or together deal with the affairs of the Society as a whole for that year and which give a true and fair view of the income and expenditure of the Society for that year; and

6.1.2 a balance sheet giving a true and fair view as at the date thereof of the state of the affairs of the Society.

Auditors and Audit

6.2 At the Annual Members' Meeting where, as a result of the provisions of the Act the Society has the power to decide not to appoint an Auditor or Auditors to audit its Annual Accounts, a resolution shall be put to the Members to decide whether or not they wish to exercise the power.

6.3 In the event of the members voting to disapply the requirements for a full audit, the Society should appoint an independent accountant or lay auditor to prepare a report, as required by the law.

6.4 Where required by law or the decision of the Members, the Society shall appoint in each year a qualified Auditor or Auditors to be the Auditors, and the following provisions shall apply to them.

6.4.1 The accounts of the Society for that year shall be submitted to them for audit as required by the law.

6.4.2 They shall have all the rights and duties in relation to notice of, and attendance and right of audience at Members' Meetings, access to books, the supply of information, reporting on accounts and otherwise, as are provided by the law.

6.4.3 Except where provided in the Rules, they are appointed by the Annual Members' Meeting, and the provisions of the law shall apply to the re-appointment and removal and to any resolution removing or appointing another person in their place.

6.4.4 Their remuneration shall be fixed by the Management Committee in accordance with the Act.

6.5 The Management Committee may fill any casual vacancy in the office of Auditor until the next following Members' Meeting.

6.6 Where an Auditor is appointed to audit the accounts for the preceding year, they shall be reappointed to audit the current year's as well unless:

6.6.1 a Members' Meeting has appointed someone else to act or has resolved that the auditor shall not act; or

6.6.2 the auditor does not want to act and has told the Society so in writing;

6.6.3 the person is not qualified to act;

6.6.4 the auditor has become incapable of acting;

6.6.5 notice of intention to appoint another auditor or to remove the auditor has been given.

6.7 No less than twenty-eight days' notice shall be given for a resolution to appoint another person as auditor, or to forbid a retiring auditor being re-appointed.

6.8 The Society shall send a copy of the resolution to the retiring auditor and also give notice to Members at the same time and in the same manner, if possible.

6.9 If it is not possible to give the notice referred to in Rule 6.8 as specified in that Rule, the Society shall give notice by advertising in the local newspaper at least 14 days before the proposed meeting. The retiring auditor can make representations to the Society which must be notified to Members under Section 95 of the Act.

Presentation of Accounts

6.10 The Management Committee shall present the Annual Accounts and reports of the business and affairs of the Society to the Annual Members' Meetings.

6.11 The Management Committee shall lay Annual Accounts before the Annual Members' Meeting showing respectively the income and expenditure for and the state of the affairs of the Society as at the end of the Society's most recent financial year (or of such other period as the Management Committee may decide) and ensure Members have the opportunity ask questions.

Publication of Accounts and Balance Sheets

6.12 Subject to the law, the Management Committee must not cause to be published any revenue account or balance sheet unless it has previously been audited by the Auditors unless the power in 6.2 not to appoint Auditors has been exercised and in its place an audit has been substituted by an accountant's report or lay auditors' report. Every revenue account and balance sheet published must be signed by the Secretary and by two Members acting on behalf of the Management Committee.

Copy of Balance Sheet to be Displayed

6.13 The Society must keep a copy of the last balance sheet for the time being, always displayed in a conspicuous place at its registered office. A copy may also be kept at an alternative address.

Annual Return to be sent to Financial Conduct Authority

6.14 The Society must, within the time allowed by legislation in each year, send to the ***Financial Conduct Authority*** a general statement in the prescribed form, called the annual return, relating to its affairs during the period covered by the return, together with a copy of:

6.14.1 the Society's financial statements for the period included in the return; and

6.14.2 the report of the Auditors, Accountant or Lay Auditors.

The most recent annual return of the Society shall be made available to any Member by the Secretary on request in writing free of charge.

7 CHANGE

Alterations to Rules

7.1 No new rule shall be made, nor shall any of the Rules be amended, unless it is approved by a two-thirds majority of the votes cast by Members present and voting at a Special Members' Meeting.

7.2 Notice of such a Special Members' Meeting shall specify the Rules to be amended and set out the terms of all amendments or new rules proposed.

7.3 No amendment to any of the Rules and no new rule shall be valid until registered with the ***Financial Conduct Authority***.

7.4 The Management Committee may change the situation of the Society's registered office. The Society will send notice of any such change to the ***Financial Conduct Authority and to the Plunkett Foundation***.

Restriction on use

7.5 Pursuant to regulations made under section 29 of the Act:

7.5.1 All of the Society's assets are subject to a restriction on their use.

7.5.2 The Society must not use or deal with its assets except:

7.5.2.1 where the use or dealing is, directly or indirectly, for a purpose that is for the benefit of the community;

7.5.2.2 to pay a Member of the Society the value of their withdrawable share capital or interest on such capital;

7.5.2.3 to make a payment pursuant to section 39 (proceedings on death of nominator), 40 (provision for intestacy) or 36 (payments in respect of mentally incapable persons) of the Act;

7.5.2.4 to make a payment in accordance with the Rules of the Society to trustees of the property of bankrupt Members or, in Scotland, Members whose estate has been sequestrated;

7.5.2.5 where the Society is to be dissolved or wound up, to pay its creditors; or

7.5.2.6 to transfer its assets to one or more of the following:

(a) a prescribed community benefit society whose assets have been made subject to a restriction on use and which will apply that restriction to any assets so transferred;

(b) a community interest company;

(c) a registered social landlord which has a restriction on the use of its assets which is equivalent to a restriction on use and which will apply thatrestriction to any assets so transferred;

(d) a charity (including a community benefit society that is a charity); or

(e) a body, established in Northern Ireland or a State other than the United Kingdom, that is equivalent to any of those persons.

7.5.3 Any expression used in this Rule which is defined for the purposes of regulations made under section 29 of the Act shall have the meaning given by those regulations.

Transfers of Engagements

7.6 The Society may, by special resolution passed at a Special Members' Meeting in accordance with the Rules and in the way required by the law, amalgamate with or transfer its engagements to any ***society*** or convert itself into a ***company***. Nothing in this Rule shall entitle the Society to amalgamate with, transfer its engagements to or convert itself into a type of body that is not listed in Rule 7.5.2.6.

7.7 The Society may also accept a transfer of engagements and assets from any ***society*** by resolution of the Management Committee or of a Members' Meeting, as the Management Committee shall decide.

Dissolution

7.8 The Society may be dissolved by an Instrument of Dissolution or by winding up in the way required by the law. If on the solvent dissolution or winding up of the Society there remain, after the satisfaction of all its debts and liabilities and the repayment of the paid-up share capital, any assets whatsoever, such assets shall be transferred in accordance with the provisions above headed "Restrictions on use".

7.9 Subject to those provisions, such assets shall be transferred to one or more community organisations that support the objects of the Society chosen by the Members at a Members' Meeting, which may include any society established by the ***Plunkett Foundation*** for the purpose of the creation, promotion and development of community businesses.

8 SHARE CAPITAL

8.1 The Society has shares of £1each.

8.2 Application for shares shall be made to the Management Committee and is subject to any maximum permitted by law. Shares shall be paid for in full on application or at the discretion of the Management Committee, shares can be paid in tranches over a period of not more than one calendar year. If the shares are not fully paid for at the end of the year the Society may terminate the membership and return all monies to the Member.

8.3 The minimum shareholding shall be 50 share[s]. The Society may from time to time make a public share offer, and any such offer may specify a minimum number of shares.

8.4 Shares are not transferable except on death or bankruptcy, and are withdrawable at the sole discretion of the Management Committee in accordance with the Rules as follows:

8.4.1 shares may be withdrawn by Members who have held them for a minimum period of three years or such other period as the Management Committee decides;

8.4.2 application for withdrawal shall be made on not less than three months' notice, on a form approved by the Management Committee;

8.4.3 the Management Committee may specify a maximum total withdrawal for each financial year;

8.4.4 all withdrawals must be funded from trading profits, reserves or new share capital raised from Members, and are at the absolute discretion of the Management Committee having regards to the long term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit. If any withdrawal is to be funded from reserves, the Management Committee must be satisfied that:

8.4.4.1 as a result of such withdrawal there will be no ground upon which the Society could then be found to be unable to pay (or otherwise discharge) its debts; and

8.4.4.2 the Society will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the withdrawal.

8.4.5 all withdrawals shall be paid in accordance with the Society's policy on share withdrawals. If no such policy exists, all withdrawals shall be paid in the order in which the notices were received, up to a maximum total withdrawal specified for the financial year, following which no further withdrawals may be made until the following financial year;

8.4.6 except where a Member intends to terminate their membership, they shall not be permitted to withdraw shares leaving them with less than the minimum required by the Rules;

8.4.7 the Management Committee may in its absolute discretion waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as it considers appropriate;

8.4.8 the Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed

period. The suspension shall apply to all notices of withdrawal which have been received and remain unpaid at the time. Where the suspension is for a fixed period, it may be extended from time to time by the Management Committee;

8.4.9 during any period when the right of withdrawal has been suspended, the shares of a deceased Member may, if the Management Committee agrees, be withdrawn by their personal representatives on giving such notice as the Management Committee requires;

8.4.10 the Society may deduct such reasonable sum to cover administrative costs of withdrawal from the monies payable to a Member on the withdrawal of shares.

8.5 The Society may (but is under no obligation to) pay interest to holders of shares, as compensation for the use of such funds, subject to the following:

8.5.1 any payment of interest must be from trading profits and is at the discretion of the Management Committee having regard to the long term interest of the Society, the need to maintain prudent reserves and the Society's commitment to community benefit;

8.5.2 the Management Committee shall determine the basis for calculating and paying interest to members the rate of interest to be paid in any year and this decision is to be approved by resolution of the Members at the Annual Members' Meeting. The agreed rate shall not exceed 5% or 2% above the base rate of the Bank of England whichever is the greater;

8.5.3 the Management Committee may decide that interest shall not be paid in relation to holdings of shares below a minimal level.

8.6 On the solvent winding-up of the Society, holders of shares will have no financial entitlement beyond the payment of outstanding interest and repayment of paid up share capital.

8.7 In the event that a Member resigns from membership, is removed from the Register of Members, or is expelled in accordance with the Rules, shares held by them at the date of resignation, removal or expulsion shall thereupon become a loan, repayable to the former Member by the Society. The terms of repayment shall be those applying to the withdrawal of share capital set out in the Rules and notice of withdrawal shall be treated as having been given at the point of resignation, removal or expulsion.

9 ADMINISTRATIVE

Purpose, objects and powers

9.1 The Society's Purpose is to carry on business for the benefit of the community.

9.2 The Objects of the Society are, in accordance with its Purpose:

The objects of the society shall be to carry on business for the benefit of the community by: The purchase, renovation and operation of the Britannia Inn as a Pub / Hub providing various services & support to the community.

9.3 The Society has the power to do anything that a natural or corporate person can lawfully do which appears to it to be necessary or desirable to achieve its Objects.

9.4 Without limiting the general power under Rule 9.3, the Society shall have the power to:

9.4.1 acquire or dispose of or take or grant any interest in property and take or grant any security interest over land or any of the Society's assets including any mortgage charge, floating charge or other security whatsoever;

9.4.2 enter into contracts;

9.4.3 employ staff;

9.4.4 make use of the services of volunteers;

9.4.5 receive donations or loans free of interest for its Objects;

9.4.6 subject to Rule 9.7, borrow money or issue any other debt instrument or enter into any transaction having the effect of borrowing on such terms as the Society thinks fit;

9.4.7 subject to Rule 9.8, invest the funds of the Society.

9.5 Any power of the Society to pay remuneration and allowances to any person includes the power to make arrangements for providing or securing the provision of pensions or gratuities (including those payable by way of compensation for loss of employment or loss or reduction of pay).

9.6 The Society shall not accept deposits or conduct any activity that constitutes a 'regulated activity' for the purposes of the Financial Services and Markets Act 2000 and 2012 without first applying for, and obtaining, authorisation for the conduct of any such activity.

Borrowing

9.7 Subject to the approval of the Management Committee, the Society may borrow money from its members and others for the purposes of or in connection with its Objects, providing that the amount outstanding at any one time shall not exceed £2,000,000.

9.7.1 The Society shall have the power to mortgage or charge any of its property, assets and undertakings, and to issue loan stock, debentures and other securities for money borrowed or for any

contracts of the Society or its customers or persons or corporations having dealings with the Society under whatever security or conditions the Management Committee determine are necessary to obtain the capital required to fulfil the society's objects.

9.7.2 The rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a building society or local authority, shall not exceed a reasonable rate necessary, in the opinion of the Management Committee, to obtain and retain the capital required to carry out the objects of the Society, nor shall it risk the Society's status as a Community Benefit Society.

Investments

9.8 Subject to any restriction imposed by resolution of any Members' Meeting, the Management Committee may invest any part of the capital and funds of the Society in any manner which the Management Committee may from time to time determine, taking investment advice where appropriate and in accordance with the Society's policy on investments.

Books of Account

9.9 The Management Committee shall cause to be kept proper books of account with respect to the transactions of the Society, its assets and liabilities, and shall establish and maintain a satisfactory system of control of the books of account, the cash holdings and all receipts and remittances of the Society in accordance with the law.

Treatment of Profits

9.10 The profits of the Society shall not be distributed either directly or indirectly in any way whatsoever among Members, but shall be applied:

9.10.1 to maintain prudent reserves;

9.10.2 social payments furthering the objects of the Society;

9.10.3 on expenditure in carrying out the Society's Objects.

Minutes

9.11 The Management Committee shall cause proper minutes to be made of all Members' Meetings, meetings of the Management Committee and of any sub-committees. All such minutes shall be open to inspection by any Member at all reasonable times subject to any duty of confidentiality.

Settlement of Disputes

9.12 The Society shall maintain and follow an internal policy for dispute resolution as approved by the Board.

9.13 Any dispute, between the Society or an officer of the Society on the one hand and a Member or a person who has for not more than six months ceased to be a Member on the other hand, as to the interpretation of or arising out of the Rules shall be dealt with in accordance with the Society's dispute resolution policy referred to in rule 9.12. Only after all other avenues been explored (except as otherwise provided in the Rules) can the dispute be referred, in default of agreement between the parties to the dispute, to a person appointed by the Chief Executive of the ***Plunkett Foundation***, on application by any of the parties. The person so appointed shall act as sole arbitrator in accordance with the Arbitration Act 1996 or the Arbitration (Scotland) Act 2010 and such person's decision shall (including any decision as to the costs of the arbitration) be final.

Register of Members

9.14 The Society shall keep at its registered office a register of Members as required by the law. Any Member wishing to inspect the register shall provide the Society with not less than 14 days' prior notice given in writing to the Secretary at the Society's registered office.

Copies of Rules and Regulations

9.15 The Secretary will provide a copy of the Rules (electronic or paper based) to any person who demands it and may charge a sum (not exceeding the maximum allowed by the law) for providing such a copy. Unless that person is a member who has not previously been provided with a copy of the rules.

Management Committee's and Officers' Indemnity

9.16 Members of the Management Committee, Officers, Employees and the Secretary who act honestly and in good faith will not have to meet out of their personalresources any personal civil liability which is incurred in the execution or purported execution of their functions, save where they have acted recklessly. Any costs arising in this way will be met by the Society. The Society may purchase and maintain insurance against this liability for its own benefit and for the benefit of members of theManagement Committee and the Secretary.

Deceased and bankrupt members

9.17 Upon a claim being made by the personal representative of a deceased Member or the trustee in bankruptcy of a bankrupt Member, any property to which the personal representative or trustee in bankruptcy has become entitled may be used as the personal representative or trustee in bankruptcy may direct.

9.18 A Member may in accordance with the law nominate any person or persons to whom any of their property in the Society at the time of their death shall be transferred, but such nomination shall only be valid to the extent for the time being provided by the law. On receiving satisfactory proof of the death of a Member who has made a nomination the Society shall, in accordance with the law, either transfer or pay the full amount of such property to the person so nominated.

10 START-UP PROVISIONS

10.1 The first Members of the Society shall be those who signed the application for registration.

10.2 The first Members shall appoint the first Management Committee who shall serve until the first Annual Members' Meeting.

10.3 At the conclusion of the first Annual Members' Meeting, all the members of the first Management Committee shall retire but shall be eligible for election to the Management Committee.

10.4 Those elected to the Management Committee shall take office immediately after the conclusion of the first Annual Members' Meeting to serve their first term of office, and the following provisions shall apply to them in order to create staggered terms:

10.4.1 One third of those so elected, who obtained the highest number of votes, shall serve until the conclusion of the fourth Annual Members' Meeting.

10.4.2 One third who obtained the next highest number of votes shall serve until the conclusion of the third Annual Members' Meeting.

10.4.3 The remainder of those elected shall serve until the conclusion of the second Annual Members' Meeting.

10.5 Those elected under Rule 10.4 shall be eligible for re-election after completion of their first term of office in accordance with Rule 5.

11 TRANSITION PROVISIONS

11.1 If these model rules are adopted on a complete amendment of rules, the following provisions shall apply.

11.2 Those holding office as elected members of the Management Committee immediately prior to the adoption of these model rules shall continue in office until the next Annual Members' Meeting, and the following will then apply:

11.2.1 if, under the rules applying before the adoption of these model rules, members of the Management Committee were elected for a three-year term of office, then the elected members of the Management Committee shall serve out the term of office for which they had been elected;

11.2.2 if, under the rules applying before the adoption of these model rules, members of the Management Committee were elected for any other term of office, all elected members of the Management Committee shall retire from office at the conclusion of the next Annual Members' Meeting; elections shall be held before the Annual Members' Meeting to fill the vacancies arising; and the following provisions shall apply in respect of their first election:

11.2.2.1 one third of those elected, who polled the highest number of votes, shall serve a three-year term of office ending at the conclusion of the fourth Annual Members' Meeting following the adoption of these model rules;

11.2.2.2 one third of those elected, who polled the next highest number of votes, shall serve a two year term of office ending at the conclusion of the third Annual Members' Meeting following the adoption of these model rules;

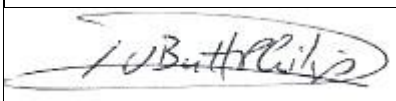
11.2.2.3 the remainder of those elected, who polled the lowest number of votes, shall serve a one year term of office ending

at the conclusion of the second Annual Members' Meeting following the adoption of these model rules.

11.3 Those holding office as Chairperson, Vice-Chairperson, and Treasurer immediately prior to the adoption of these model rules shall continue in office until the first meeting of the Management Committee after the next Annual Members' Meeting. At the commencement of that Management Committee meeting, they shall retire from office and the Management Committee shall elect a Chairperson, Vice-Chairperson and Treasurer in accordance with Rule 5.11.

11.4 The person holding office as Secretary immediately prior to the adoption of these model rules shall continue in office unless or until replaced by the Management Committee.

12 SIGNATURES OF MEMBERS

Signatures of Members	Full Names	Date
	Theo Butt-Philip	5th April 2024
	Ian Ames-White	5th April 2024
	Andy Vallis	5th April 2024
Signature of Secretary	Mark O'Callaghan	5th April 2024