

Co-operative and Community Benefit Societies Act 2014

Rules of

Liverpool Supporters Union Limited (LSU)

NAME

1. The name of the society shall be **Liverpool Supporters Union Limited (LSU)**. The society is known for short as **“Spirit of Shankly”** or **“SOS”**.

REGISTERED OFFICE

2. The registered office of the society shall be at c/o Invictus Accountancy Services Limited, 1 Stable Court Business Centre, Water Lane Farm, Tarbock Green, Liverpool, L35 1RD or such other place as the Management Committee may from time to time decide.

INTERPRETATION

3. In these Rules:

“Address” means a postal address or, for the purposes of communication by Electronic Means, a fax number or email address.

“the Act” means the Co-operative and Community Benefit Societies Act 2014.

“Auditor” means a person eligible for appointment as an auditor of SOS under the Act.

“Ballot” means a vote not taken by a Show of Hands, but by paper or Electronic Means which enables a participant to vote on a proposed resolution.

“the Board of Directors” or **“Board”** or **“Management Committee”** means the board of the Directors of SOS from time to time.

“Casual Vacancy” means a vacancy on the Management Committee created when a Director vacates their seat or otherwise ceases to be a Director (for any reason, including by resignation, death or removal in accordance with Rule 103) prior to the expiration of their term of office.

“Clear Days” in relation to a period of notice does not include: (a) the day on which the meeting is to be held; (b) in the case of delivery by hand, the day on which the notice is delivered to the relevant Address and/or to the person concerned; and (c) if sent by post or Electronic Means, (i) the day on which it is posted/sent and (ii) the day on which it is deemed to be delivered.

“Co-operative Principle(s)” are the principles defined in the International Co-operative Alliance Statement of Co-operative Identity as:

- (a) Voluntary and open membership;

- (b) Democratic member control;
- (c) Member economic participation;
- (d) Autonomy and independence;
- (e) Education, training and information;
- (f) Co-operation among co-operatives;
- (g) Concern for the community.

"Co-operative Values" are the values defined in the International Co-operative Alliance Statement of Co-operative Identity. This states that co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

"Co-operative Values and Principles" means the Co-operative Values and the Co-operative Principles as defined above.

"Connected Person" means, in relation to a Director, a Person who is any of the following: (a) a member of the Director's family (as defined in s253 Companies Act 2006), (b) a Person who is a business associate of the Director and/or (c) a Person in respect of whom the Director has any direct or indirect interest in the share (or like) capital of the Person concerned and does not include a Person with which the Director's only connection is an interest consisting of not more than 1% of the voting and/or dividend rights.

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

"Document" means a communication in Writing.

"Electronic Means" shall include: (a) in relation to meetings, communication by video link, telephone or any other means of electronic communication which enables the participants to communicate to each other any information or opinions they have on any particular item of the business of the meeting and (b) in relation to voting any means of electronic communication which enables the person concerned to vote on a proposed resolution. In relation to transactions or notices shall include communication by email, fax and secure authenticated website transactions.

"Eligible Member" means any Member other than an SOS Supporter.

"Employee" means anyone who is an employee of SOS.

"Extraordinary Resolution" means a resolution passed by a majority of not less than 75%. In relation to this:

- a) a resolution passed at a meeting on a Show of Hands is passed by a majority of not less than 75%, if it is passed by not less than 75% of the votes cast by Eligible Members who vote on the resolution concerned;

- b) a written resolution is passed by a majority of not less than 75%, if it is passed by Eligible Members representing not less than 75% of the total voting rights of Eligible Members;
- c) a resolution passed on a Ballot taken at a meeting is passed by a majority of not less than 75%, if it is passed by Eligible Members representing not less than 75% of the total voting rights of Eligible Members who (being entitled to do so) vote on the resolution concerned.

"Founder Member" means each person who was a subscriber to the constitution of SOS for the purposes of its original registration.

"Management Committee Meeting" includes, except where inconsistent with any legal obligation, a physical meeting and a meeting held by Electronic Means.

"Member" a Person who has been admitted as a member of SOS and whose membership of SOS has not ceased.

"SOS Supporter" means as defined in Rule 16.

"ordinary resolution" means a resolution passed by a simple majority. In relation to this:

- d) a resolution passed at a meeting on a Show of Hands is passed by a simple majority, if it is passed by a simple majority of the votes cast by Eligible Members who vote on the resolution concerned;
- e) a written resolution is passed by a simple majority, if it is passed by Eligible Members representing a simple majority of the total voting rights of Eligible Members;
- f) a resolution passed on a Ballot taken at a meeting is passed by a simple majority if it is passed by Eligible Members representing a simple majority of the total voting rights of Eligible Members who (being entitled to do so) vote in on the resolution concerned.

"Office Holder" means a trustee in bankruptcy, receiver, administrative receiver, liquidator, provisional liquidator, administrator or like officer in respect of a Member and/or of all, or substantially all, of the Member's assets.

"Officer" means as defined in Rule 104.

"Person" means, unless the context requires otherwise, a natural person, unincorporated or corporate body.

"Present" for the purposes of calculating a quorum for any purpose in connection with these Rules, means those Eligible Members or Directors (a) physically present, (b) participating in the meeting by Electronic Means and (c) in the case of meetings of Eligible Members, those Eligible Members present by proxy.

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

"Regulations" means as defined in Rule 108.

"Rules" means these rules, as from time to time amended and/or replaced.

"shares" means shares in SOS.

"Secretary" means any Person appointed to perform the duties of the secretary of SOS.

"Show of Hands" means a vote cast by (a) the raising of the hand, (b) equivalent confirmation of a vote by Electronic Means (including in advance of the meeting concerned) and/or (c) postal vote (and/or any combination thereof).

"SOS" means Liverpool Supporters Union Limited (LSU) .

"Withdrawable" in relation to shares means shares with the associated right for the Member to withdraw their shares and receive in return the value of their shares from SOS and **"Withdrawn"** shall be construed accordingly.

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

Headings in these Rules are used for convenience only and shall not affect the construction or interpretation of these Rules.

Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

Save as expressly provided otherwise in these Rules, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

In these Rules, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa.

PURPOSE

4. The purpose of SOS is to carry out its function as a co-operative and to abide by the internationally recognised Co-operative Values and Principles.

OBJECTS

5. The objects of SOS shall be to carry on business as a co-operative and to carry on any other trade, business or service and in particular to carry on the matters and operate as referred to below.

- (a) **Vision.** To be the strongest, most inclusive, and effective football supporters' union in the world.
- (b) **Values.** Underpinning everything that SOS does and a reference point for all SOS' decisions are the values that Bill Shankly brought to Liverpool Football Club (**LFC**). These values are:
 - (i) Honesty.
 - (ii) Integrity.
 - (iii) Unity.
 - (iv) Openness.
 - (v) Teamwork.
 - (vi) Selflessness.
- (c) **Constant Aims.**
 - (i) To represent the best interests of SOS' Members and by extension the best interests of all supporters of LFC both locally and internationally.
 - (ii) To hold whoever owns LFC to account on all fan related matters.
 - (iii) To maintain a functioning management committee structure for SOS.
 - (iv) To maintain lasting relationships with all LFC's supporting community.
 - (v) To ensure SOS is reflective of our diverse worldwide membership and supporter base.
 - (vi) To continually improve the quality of service for all LFC's supporters in all interactions, locally with LFC, and more widely with all clubs and football bodies.
 - (vii) To offer cost-effective away match travel for Members.
 - (viii) To campaign for fairness for all LFC supporters in relation to ticket prices.
- (d) **Short Term Aims**
 - (i) To regularly consult Members and act in their best interests.
 - (ii) To create a working management structure that enables SOS to lead and influence the Liverpool Football Club Supporters' Board (the **Supporters Board**) and holds LFC to account for the good of all supporters.
 - (iii) To develop an effective recruitment and retention strategy to help build SOS' membership into the biggest football supporters union to deliver on our aims and objectives.
 - (iv) To create and maintain a manifesto for SOS.

- (v) To campaign for the person who should from time to time occupy the office of the independent football regulator.

(e) **Medium Term Aims**

- (i) To continue working with any relevant agencies to improve the area of Anfield.
- (ii) To identify and build links with other representative groups of LFC supporters, for example media, businesses, fan groups and others.
- (iii) To consolidate and grow our links with other supporters trusts and fan groups both in the UK and internationally.
- (iv) For SOS to remain as a leading supporters' trust and to represent SOS on the Football Supporters Association and Football Supporters Europe.

(f) **Long Term Aims**

- (i) To make the Supporters Board an integral, effective and successful representative body for SOS members and supporters worldwide.
- (ii) Supporter ownership of LFC, if legally and economically feasible.
- (iii) LFC to have the best fan experience in the world, (achieved through the most effective fan engagement process led by SOS).

POWERS

- 6. SOS may do all such lawful things as may further SOS' objects. In particular, it may borrow or raise funds for any purpose and on behalf of itself.

BORROWING

General

- 7. SOS shall have the power to borrow money from its Members and others in order to further its objects, provided that the amount outstanding at any one time shall not exceed £1,000,000,000.
- 8. SOS shall have the power to mortgage or charge any of its property, including the assets and undertakings of SOS, present and future, and to issue loan stock, debentures and other securities for money borrowed or for the performance of any contracts, of SOS, or its customers or Persons having dealings with SOS.
- 9. The rate of interest on money borrowed shall not exceed a rate which, in the opinion of the Management Committee, is reasonable having regard to the terms of the loan.
- 10. SOS may receive, from any Person, donations or loans free of interest in order to further its objects, but shall not receive money on deposit.

Borrowing from Members

- 11. In accordance with the Co-operative Principle of member economic participation, the interest paid by SOS, on money borrowed from Members, shall not exceed such rate

as is necessary to attract and retain the capital required to further SOS' objects and purpose.

FINANCIAL SERVICES AND MARKETS ACT 2000 ACTIVITY

12. SOS shall not engage in any activity by virtue of any of these Rules that would require permission from the Registrar to carry on that activity without first having applied for and obtained such permission.
13. SOS has the power to invest its funds in such manner as SOS may decide.

MEMBERSHIP

Members

14. The first Members of SOS were the Founder Members.
15. SOS may admit to membership any Person that has made an application for membership in accordance with these Rules, that supports the objects of SOS, wishes to use the services of SOS and has paid or agreed to pay any subscription or other sum due in respect of membership of SOS.

SOS Supporters

16. The Management Committee may from time to time resolve that Member who has failed to pay the annual subscription (if any) due in respect of such Member's membership, within three months of it falling due, shall (notwithstanding any provision to the contrary in these Rules) be deemed to have ceased to have the right to: (a) receive notice of meetings of Members and to receive copies of proposed written resolutions, (b) attend and/or speak at meetings of Members and (c) vote as a Member (whether at a meeting of Members and/or by way of written resolution), in each case with effect from such date as the Management Committee may by notice in Writing specify to such Member (each such Member (whose rights have not been reinstated as hereinafter provided) is an **SOS Supporter**). The foregoing provisions in this Rule 16 are without prejudice to the provisions of Rule 22(b). In relation to SOS Supporters:
 - (a) The Management Committee may from time to time reinstate such rights with effect from such date as the Management Committee may by notice in Writing specify to any particular SOS Supporter, subject always to the SOS Supporter concerned having paid the annual subscription (if any) due in respect of such SOS Supporter's membership.
 - (b) SOS Supporters shall be entitled to receive the same benefits as Eligible Members, save to the extent that the Management Committee from time to time resolve that SOS Supporters shall not be entitled to any particular benefit.
17. In accordance with the Co-operative Principle of voluntary and open membership, whilst SOS shall undertake to encourage those who use its services to become Members, membership must be voluntary.

Applications for Membership

18. There is no minimum age requirement in relation to becoming a Member. All those wishing to become a Member must support the objects of SOS and complete an

application for membership (in a form from time to time approved by the Management Committee) which shall include an application for at least one share in SOS and the provision of such information as the Management Committee may require. The Management Committee shall consider each application. The Management Committee may refuse admission to membership only if in the reasonable opinion of the Management Committee the application for membership: (a) is not made in good faith and/or (b) does not meet the criteria for membership set out in these Rules and/or in the application form and/or (c) if information requested has not been provided to the reasonable satisfaction of the Management Committee and provided that (in each case), prior to the refusal, the Management Committee has given the applicant for membership the opportunity to state why they believe they should be admitted to membership. The Management Committee may from time to time delegate consideration, approval and/or refusal of applications for membership to such persons and/or sub-committee as the Management Committee from time to time think fit.

Corporate bodies which are Members

19. A corporate body which is a Member shall, by resolution of its governing body, appoint (and may in like manner from time to time remove and replace) a representative who may during the continuance of their appointment be entitled to exercise all such rights and powers as the corporate body would be entitled to exercise if it were a natural person. Each such corporate body Member shall supply notification in Writing to SOS of its choice of representative and of any removal and/or replacement thereof.

Commitment

20. All Members agree to be bound by these Rules. When acting as Members, they shall act in the best interests of SOS, participating in the governance of SOS in order to further its objects.
21. In accordance with the Co-operative Principle of education, training and information, SOS shall provide all Members with information about their role, including opportunities to understand the value of their participation in SOS as an owner in line with the Co-operative Values and Principles.

Termination of Membership

22. A Member shall (on the dates specified below) cease to be a Member of SOS if they:
 - (a) Are no longer eligible for membership and the Management Committee resolve that their membership shall be deemed to have ceased on the date specified by the Management Committee.
 - (b) Fail to pay the annual subscription (if any) within three months of it falling due and the Management Committee resolve that their membership shall be deemed to have ceased on the date specified by the Management Committee.
 - (c) Fail to hold the minimum shareholding and the Management Committee resolve that their membership shall be deemed to have ceased on the date specified by the Management Committee.
 - (d) Resign in Writing to the Secretary, the Management Committee or otherwise to SOS, in which case their membership shall cease on the date specified in such

resignation (and if no date is specified then their membership shall be deemed to have ceased on the date specified by the Management Committee).

- (e) In the case of a Member who is the nominee of an unincorporated body, they transfer their share to the nominee of the same unincorporated body as referred to in Rule 28 or Rule 30, and in such event such Member (who has transferred such share) shall cease to be a member of SOS on the date referred to in Rule 28 or Rule 30.
- (f) Are expelled from membership in accordance with and on the date specified by these Rules.
- (g) Die, in which case membership shall be deemed to have ceased on the date of death (but subject to Rule 28).
- (h) Have an Office Holder appointed in respect of them and the Management Committee resolve that their membership shall be deemed to have ceased on the date specified by the Management Committee (subject always to Rule 28).

Expulsion from Membership

23. A Member may be expelled by an Extraordinary Resolution passed at a general meeting of SOS, provided that the Management Committee have resolved that such meeting be convened and provided further that:

- (a) At least one month's Written notice must be given of the general meeting and such notice must set out the grounds for expulsion.
- (b) The Member concerned must be (i) given at least one month's Written notice of the general meeting and invited to attend that meeting, (ii) provided with an opportunity to make representations to the meeting or, at the option of the Member concerned, to have representations made on behalf of such Member by another person (who need not be a Member of SOS).
- (c) At the general meeting called to consider the expulsion, the Members present shall be presented with relevant evidence. If the Member concerned fails to attend the meeting it may proceed in the Member's absence.
- (d) If the Extraordinary Resolution is passed to expel the Member concerned, then such Member shall be deemed to have ceased to be a Member on the date that such Extraordinary Resolution was passed.
- (e) No Member expelled from membership shall be re-admitted except by an Extraordinary Resolution at a general meeting of SOS. Any Member expelled automatically forfeits any membership fee and/or annual subscription paid.

Dealing with share capital when membership ends

24. When a Member ceases to be a Member (for any reason, including by expulsion from SOS), their one share shall be deemed cancelled with effect from the date membership ceased. The foregoing is subject to transfers of property permitted by Rule 25 and transfers of property and shares permitted by Rules 28 and 30.

Sections 37 – 40 of the Act

25. Nothing in these Rules shall limit or exclude any rights pursuant to sections 37 to 40 (inclusive) of the Act which cannot be limited or excluded.

Shares not capable of transfer

26. Subject to Rules 25, 28 and 30, shares in SOS are not capable of transfer and (in particular) cannot be transferred following the death or bankruptcy of a Member.

Proceedings on the appointment of an Office Holder in respect of a Member

27. Subject to Rules 25, 26, 28 and 30, SOS shall, if requested in Writing by a person who is an Office Holder in respect of a Member, and subject to SOS receiving satisfactory evidence of entitlement, transfer or pay property (excluding such Member's share) to which the Office Holder has become entitled as that Office Holder may direct.

Property held by nominees of unincorporated bodies, following the death or appointment of an Office Holder in respect of a nominee Member

28. The following applies in relation to the death or appointment of an Office Holder in respect of a Member who is a nominee of an unincorporated body.
- (a) If SOS is notified in Writing of the death or appointment of an Office Holder in respect of a Member who is a nominee of an unincorporated body, SOS shall (with effect from the date of receipt of such notice and provided that such notice was received within 60 days of such death or appointment of an Office Holder) hold all such Member's property in SOS (including any share) on trust for the unincorporated body concerned.
- (b) The unincorporated body concerned shall be entitled (within 60 days of such death or appointment of an Office Holder) to nominate in Writing a new nominee (who has consented to being so appointed) to hold the share (and other property in SOS, if any) as the nominee of the unincorporated body concerned. The Management Committee shall be entitled to request such information and completion of such documents in connection therewith as determined by the Management Committee, including the completion of an application for membership by the new nominee as referred to in Rule 18. Such transfer (of the share concerned to the new nominee) and application shall be subject to the provisions of Rule 18 in relation to the admission to membership of the new nominee. If such transfer and admission to membership is approved by the Management Committee, then the new nominee shall be deemed to have become a Member (as nominee of the unincorporated body concerned) on the date specified by the Management Committee in respect of the share (and other property, if any) so transferred.
- (c) If (a) SOS is not notified in Writing of the death or appointment of an Office Holder in respect of a Member who is a nominee of an unincorporated body within 60 days of the date of death or appointment of an Office Holder and/or (b) if the Management Committee have not approved such transfer and admission to membership in relation to a proposed new nominee within 60 days of being notified in Writing of the proposed new nominee, then the Management Committee shall be entitled to resolve that membership of the nominee concerned (who has died or had an Office Holder appointed) shall be deemed to have ceased on the date specified by the Management Committee.

SHARE CAPITAL

29. SOS shall issue only one share to each Person on admission to membership. Each share shall have the nominal value of £10 which shall carry no right to dividend, bonus or interest. Each share shall be fully paid prior to issue. No share shall be capable of being Withdrawn.
30. A share (and other property in SOS, if any) held by a Member as the nominee of an unincorporated body (“**the Nominee**”) can only be transferred to a new nominee of that unincorporated body. Any such transfer shall be effected (a) as referred to in Rule 28 or (b) by the Nominee giving a notice in Writing to SOS stating that the Nominee wishes to transfer the share concerned (and other property in SOS, if any) to a named person who is to be the new nominee of that unincorporated body (and who has consented to being so appointed). The Management Committee shall be entitled to request such information and completion of such documents in connection therewith as determined by the Management Committee, including completion of an application for membership by the new nominee. Such transfer and application shall be subject to the provisions of Rule 18 in relation to the admission to membership of the new nominee. If such transfer and admission to membership is approved by the Management Committee, then the Nominee shall be deemed to have ceased to be a Member and the new nominee shall be deemed to have become a Member (as nominee of the unincorporated body concerned) on the date specified by the Management Committee in respect of the share (and other property, if any) so transferred.

UNTRACED MEMBERS

31. Where SOS has evidence that a Member is no longer at the Address shown in its register of Members then, subject to carrying out the following procedures, the Management Committee may resolve that membership of the Member concerned ceased (and their shares shall be deemed to have been cancelled) on such date as the Management Committee may specify. The date membership ceased shall be noted in the register of Members. The remaining amount standing to the credit of such ceased Member in the share account of SOS shall be forfeited to SOS and the associated shares cancelled.
32. The procedures are as follows:
 - (a) The Secretary (or such other person as the Management Committee may from time to time nominate) shall take reasonable steps to establish whether there is a forwarding address, and if there is one, to contact the Member at the forwarding address with the information set out in Rule 32(b).
 - (b) The Secretary (or such other person as the Management Committee may from time to time nominate) shall advertise in such places of business of SOS to which Members have access as the Secretary (or such other person) may reasonably decide, or if no such places exist, take steps to publish an advertisement on its website and in the local media giving the following information:
 - (i) Advising that SOS intends, after a notice period (specified in such advertisement) of not less than two calendar months, to revise its register of Members to state that the Member concerned is no longer living at its registered address and has ceased to be a Member of SOS.

- (ii) Providing contact details to enable the Member concerned to confirm its registered address, or to confirm that it wishes to withdraw from membership of SOS.

At the end of the notice period, if the Member concerned has not made contact with SOS to confirm its current Address and contact details, the Management Committee may resolve that membership of the Member concerned shall be deemed to have ceased (and their shares shall be deemed to have been cancelled) on such date as the Management Committee may specify and the Secretary shall amend the register of Members to show that such membership has ceased and cancel the associated shares.

GENERAL MEETINGS

- 33. SOS shall, within six months of the end of its financial year, hold a general meeting of the Eligible Members as its annual general meeting and shall specify the meeting as such in the notice calling it.
- 34. The business of an annual general meeting shall comprise, where appropriate:
 - (a) The receipt of the accounts and balance sheet and of the reports of the Management Committee.
 - (b) The receipt of the Auditor's report, where SOS has appointed an Auditor.
 - (c) The appointment of an Auditor, if required by law.
 - (d) The election of the Management Committee or the results of the election if held prior to the meeting.
 - (e) The application of profits.
 - (f) The transaction of any other business included in the notice convening the meeting.
- 35. In accordance with the Co-operative Principle of democratic member control, SOS shall ensure that Members are provided with opportunities to participate in the governance of SOS. Clear information about the operations of the business shall be presented to Members enabling them to review the strategic direction of SOS, business planning and management processes and to ensure SOS manages itself in accordance with the Co-operative Values and Principles.

Calling a General Meeting

- 36. General meetings shall be convened:
 - (a) By the Secretary and/or a Director, in both cases after receipt of clear direction from the Management Committee.
 - (b) Upon a requisition in Writing, delivered to the Secretary at the registered office of SOS, signed by 25% of the total number of Eligible Members, subject to a minimum of three, stating the reason for calling the meeting set out in the requisition.

- (c) If, in the case of Eligible Members requisitioning a meeting, as set out immediately above, six weeks elapse after the requisition is received by the Secretary, the Management Committee do not convene a general meeting, the Eligible Members who made the requisition may call a meeting and shall be reimbursed by SOS for any costs reasonably incurred in convening such a meeting.

Notices

37. All general meetings (including the annual general meeting) shall be convened by giving at least 14 Clear Days' notice to all Eligible Members. Notices of meetings shall be given to Eligible Members personally or sent to them at their Address, including by post and/or Electronic Means. Alternatively, such notices may be displayed conspicuously at the registered office and in all other places of business of SOS to which Eligible Members have access. Notices shall indicate the type of meeting to be convened, specify the date, time and place at which the meeting is to be held and the business which is to be transacted at that meeting. A general meeting shall not transact any business other than that specified in the notices calling the meeting.
38. Any notice to be given by SOS to a Member may be sent by post and/or Electronic Means and/or may be delivered personally. A notice sent to an Eligible Member's Address by post shall be deemed served 48 hours after it is posted; a notice delivered personally shall be deemed served on such delivery and a notice sent by Electronic Means shall be deemed served on the day after the date on which it was sent, provided that no notice is received by SOS stating that such notice has not been delivered by such Electronic Means. The accidental omission to send any notice to, or the non-receipt of any notice by, any Person entitled to receive notice shall not invalidate the proceedings at the meeting concerned.
39. If SOS has appointed an Auditor, they shall be entitled to attend general meetings of SOS and to receive all notices of and communications relating to any general meeting which any Eligible Member of SOS is entitled to receive. The Auditor shall be entitled to be heard at any meeting on any part of the business of the meeting which is of proper concern to an Auditor.
40. A general meeting may be held at shorter notice if agreed in Writing by at least 90% of the total number of Eligible Members.

Proceedings at General Meetings

41. The person who is from time to time the chair of the Management Committee shall be the chair for each general meeting. If such person is not present, then the Management Committee shall select another Director to act as chair of the meeting concerned.

Quorum

42. No business shall be transacted at a general meeting unless a quorum of Eligible Members is Present. Unless amended by Extraordinary Resolution, a quorum shall be fifty Eligible Members.

Attendance and Speaking

43. An Eligible Member is able to exercise the right to speak at a general meeting and is deemed to be in attendance when that Person is Present. The Management Committee may make whatever arrangements they consider appropriate including whether a

general meeting will be held virtually, at a physical location or as a hybrid meeting, to enable Eligible Members to be Present and to enable those attending to exercise their rights to speak and/or vote at it, including by Electronic Means. In determining attendance at a general meeting, it is immaterial whether any two or more Eligible Members attending are in the same place as each other.

44. The Management Committee may permit other Persons who are not Eligible Members to attend and speak at general meetings, without granting any voting rights.

Proxies

45. A proxy may be appointed by an Eligible Member to represent them at a general meeting and such proxy may speak and vote on behalf of the Eligible Member. A proxy need not be an Eligible Member.
46. In order to appoint a proxy, the Eligible Member must provide a valid appointment (in a form approved by the Management Committee), in Writing, to the Management Committee at least two Clear Days prior to the general meeting in respect of which the proxy is being appointed. If the requirements in this rule are not met, the appointment shall not be valid and the proxy shall not be entitled to attend or vote at the general meeting.
47. A proxy may not act for more than three Eligible Members.
48. Any question as to the validity of a proxy shall be determined by the chair of the relevant general meeting.
49. A proxy shall only act in accordance with the instructions given to them by the appointing Eligible Member. If it is reasonably determined by the chair of the relevant general meeting that a proxy is acting outside those instructions, then the chair has the right to prevent the proxy from speaking and/or voting on the business to which the proxy relates.

Adjournment

50. If a quorum is not Present within half an hour of the time the general meeting was due to commence, or if during a meeting a quorum ceases to be Present, the chair must adjourn the meeting. In the case of a meeting which is so adjourned and was convened by a requisition of Eligible Members, the meeting shall be dissolved and not re-convened as referred to in Rule 52.
51. The chair of a general meeting may adjourn the meeting whilst a quorum is Present if:
- (a) The majority of Eligible Members Present consent to that adjournment.
 - (b) It appears to the chair that an adjournment is necessary to protect the safety of any Persons attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.
52. When the chair adjourns the meeting for reasons set out in these Rules the chair may specify the date, time and place to which it will stand adjourned or delegate the re-convening of the adjourned meeting to the Secretary.

53. If within half an hour of the time the adjourned meeting was due to commence a quorum is not Present, the Eligible Members Present shall constitute a quorum. No business shall be transacted at an adjourned meeting other than business which could properly have been transacted at the meeting if the adjournment had not taken place.

Voting

54. In accordance with the Co-operative Principle of democratic Member control, each Eligible Member shall have one vote on any resolution. Except where the Act requires voting to take place in general meeting, the Directors may make whatever arrangements they consider appropriate to enable Eligible Members to exercise their rights to vote on any proposed resolutions in advance of a general meeting, which may include postal voting and/or voting by Electronic Means.
55. A resolution put to the vote at a general meeting shall be decided on a Show of Hands unless a Ballot is demanded in accordance with these Rules. A declaration by the chair that a resolution has, on a Show of Hands, or by Ballot, been carried or lost with an entry to that effect recorded in the minutes of the general meeting, shall be conclusive evidence of the result. Proportions or numbers of votes in favour for or against need not be recorded.
56. In the case of an equality of votes, whether on a Show of Hands or a Ballot, the chair shall not have a second or casting vote and the resolution shall be deemed to have been lost.

Ballot

57. A Ballot on a resolution may be demanded, before or immediately after the declaration of the result of the Show of Hands, by fifty Eligible Members Present at a general meeting.
58. If a Ballot is duly demanded it shall be taken at such a time during the meeting in such a manner as the chair directs and shall not prevent the remaining business of the meeting from being transacted.
59. No Eligible Member shall have more than one vote on a Ballot and the result of the Ballot shall be deemed to be the resolution of the meeting at which the Ballot was demanded. The demand for a Ballot may be withdrawn at any time before the procedure for taking the Ballot has commenced.

Resolutions

60. Decisions at general meetings shall be made by passing resolutions. All decisions shall be taken by ordinary resolution unless an Extraordinary Resolution or special resolution is required under the circumstances set out below:
- (a) The following decisions must be made by Extraordinary Resolution:
- (i) Decisions to expel Members as referred to in Rule 23.
 - (ii) Decisions to dispose of assets of SOS equivalent in value to one-third or more of SOS's net assets on its last published balance sheet, as referred to in Rule 112.

- (iii) Any amendment to SOS' Rules (and provided that no amendments may be made which are not compliant with the Act).
 - (iv) The decision to wind up SOS.
 - (v) If and to the extent required by any contract to which SOS is bound.
- (b) The following decisions must be made by special resolution and must be passed in accordance with the requirements for passing a special resolution in the relevant section of the Act and as set out in Rule 61:
- (i) A decision to amalgamate or transfer engagements between societies.
 - (ii) A decision to convert SOS into a company, amalgamate with or to transfer its engagements to a company.
 - (iii) Ratifying an action by the Management Committee that was found to be outside the capacity of SOS and relieving any Director of liability incurred, if any, as a result of this action.

Only Eligible Members may vote on a special resolution.

- (c) Decisions not required to be made by Extraordinary or special resolution shall be made by ordinary resolution.

Decisions to be made by special resolution

61. A special resolution is one passed by Eligible Members in accordance with the following sections of the Act, sections 43 and 44 (Capacity of a society and relationship with its rules), sections 109-114 (Amalgamations and transfers of engagements between societies and Conversion of society into company etc), sections 119(3)(b) and 120 (Dissolution of society by an instrument of dissolution), and the Insolvency Act 1986 sections 84-86 (Resolutions for, and commencement of, voluntary winding up).
62. An Extraordinary or ordinary resolution may be passed as a written resolution. A written resolution may consist of several identical documents signed by one or more Members. Special resolutions may not be passed as a written resolution. Each provision of these Rules that refers to an Extraordinary and/or ordinary resolution being passed in a general meeting shall be deemed to also refer to the same being passed by way of written resolution.

MANAGEMENT COMMITTEE

63. SOS shall have a Management Committee comprising not less than 9 and not more than 15 Directors, who shall be elected in accordance with election procedures and criteria, approved from time to time by the Management Committee, based on merit, skills, experience, minimum expectations and objective criteria and provided that any Person who is entitled to serve on the Management Committee (in accordance with these Rules) shall not be prevented from standing for election.
64. Only Eligible Members of SOS (or the appointed representative of a corporate Eligible Member) who are aged 18 years or more, not bankrupt or otherwise prohibited by law from so acting, may serve on (and/or stand for appointment on) the Management Committee.

Elected Management Committee

65. The Management Committee shall be elected by SOS' Eligible Members.

Retirement Cycle

66. At every annual general meeting one third of the Management Committee, or if their number is not a multiple of three then the number nearest to one third (rounding down to the nearest whole number), shall retire from office. The Directors to retire shall be the Directors who have been longest in office since their last election. Where Directors have held office for the same amount of time the Directors to retire shall be decided by lot. A retiring Director shall be eligible for re-election. Notwithstanding the foregoing, the chair of the Management Committee shall not be required to stand for re-election until he has held such office for 6 years.

Appointment of Independent Non-Executive Appointed Directors

67. The Management Committee may from time to time appoint (and from time to time remove and replace) up to four independent non-voting non-executive Directors (**Non-executive Directors**) who are selected for their particular skills and/or experience. Each Non-executive Director must either be or become a Member. The number of Non-executive Directors (from time to time in office) shall not exceed more than 49% of the total number of other Directors from time to time on the Management Committee. Members shall be asked to ratify each such appointment at the next general meeting following such appointment and if any such appointment is not so ratified, then the Non-executive Director concerned shall be deemed to have ceased to hold office.
68. Non-executive Directors shall serve such term as the Management Committee may determine at the time of the appointment subject to a review at least every 12 months. Members must re-affirm each Non-executive Director's appointment every three years and if any such appointment is not so affirmed, then the Non-executive Director shall be deemed to have ceased to hold office.

Co-option for Casual Vacancies

69. The Management Committee may at any time fill a Casual Vacancy on the Management Committee by appointing any person to fill such vacancy, provided that such person is entitled to be appointed as a Director as referred to in Rule 64. Any person so appointed will hold office as Director only until the next annual general meeting, but shall be entitled to stand for election to the Management Committee provided that they are eligible to do so.

Management Committee Education and Training

70. In accordance with the Co-operative Principle of education, training and information, Directors must agree to undertake training during their term of office as deemed appropriate by SOS. This training will include information on the roles and responsibilities of being a director of a society which is also a co-operative.
71. The Management Committee will prepare, approve and enforce a code of conduct for Directors that sets out expected behaviours and conduct. The code of conduct for Directors will include commitments to training and ongoing professional development where needed, in order that the Management Committee is competent to fulfil its role. All Directors will be required to sign an acceptance of the code of conduct for Directors

on taking office, or as soon as practicable afterwards. In addition, the Management Committee shall be entitled from time to time to specify (amend and update) the roles, responsibilities and duties of each member of the Management Committee.

Powers and Duties of the Management Committee

72. The business of SOS shall be managed by the Management Committee, which shall exercise all the powers of SOS except those powers that are required by the Act or under these Rules to be exercised by the Members.
73. The Management Committee is accountable to its membership, preserving value and impact for its membership and the long-term success of the business of SOS.
74. The Management Committee has (without limitation) the following powers and responsibilities:
 - (a) To oversee, manage, direct and make decisions in respect of the relationship between SOS and LFC, including in relation to any contract from time to time in place between SOS and LFC. Without prejudice to the generality of the foregoing:
 - (i) The persons who shall sit on the Supporters' Board (as the representatives of SOS) (each such person being an **"SOS Representative"**) shall be nominated and appointed (and from time to time removed and replaced) by and via a process and based on criteria established by the Management Committee (including taking into account skills, experience and knowledge deemed appropriate by the Management Committee). For example, an SOS Representative may be removed from that position in the circumstances referred to in Rule 103;
 - (ii) Each SOS Representative shall be an Eligible Member and/or Director. Each SOS Representative shall comply with the requirements of the Management Committee from time to time including as referred to in this Rule 74;
 - (iii) The SOS Representative who shall act as chair of the Supporters' Board shall be nominated and appointed (and from time to time removed and replaced) by the Management Committee;
 - (iv) The Management Committee may from time to time establish (amend and/or replace) rules and procedures in relation to the Supporters' Board and SOS Representatives;
 - (v) The Management Committee may from time to time instruct each SOS Representative as to (x) the aims and objectives of SOS in relation to the Supporters' Board and (y) the matters to be raised and views and opinions to be expressed on behalf of SOS at meetings of the Supporters' Board;
 - (vi) The Management Committee shall be entitled from time to time to instruct each SOS Representative as to how such person should vote on any given issue on the Supporters' Board (including as to the appointment and removal of SOS Representatives and the chair of the Supporters' Board) and each SOS Representative shall vote in accordance with such instructions.

- (b) To ensure that SOS's affairs are conducted in accordance with these Rules, the best interests of SOS and its Members, the views of its Members and wider stakeholders and in accordance with the Co-operative Values and Principles;
 - (c) To determine the purpose, strategy culture, values and policy of SOS in consultation with the Directors and its Members;
 - (d) To determine the risk strategy of SOS and ensure that risk management is addressed.
75. To oversee the work of the Officers in the day-to-day management of the business of SOS.
76. In exercising its powers, particularly in relation to procurement, the Management Committee shall endeavour to set and be guided by policies that encourage the procurement of goods and services from co-operatives, with a view to fostering the Co-operative Principle of co-operation among co-operatives.
77. All decisions made by a Management Committee Meeting or by any Person acting as a Director shall remain valid, even if it is later discovered that there was some defect in the calling of the meeting, the Director's appointment or that the individual had previously been disqualified from acting as a Director.
78. No Regulations made by SOS in general meeting shall invalidate any prior act of the Management Committee which would have been valid had those Regulations not been made.

Delegation

79. Subject to these Rules, the Directors may delegate of their powers (including any of the powers which are conferred on them under these Rules) to any Person or committee, which may consist of Members of SOS and/or such other Persons as the Management Committee may choose, by such means, to such an extent, in relation to such matters and on such terms and conditions as they think fit.
80. The Directors may specify that any such delegation may authorise further delegation of the powers by any Person to whom they are delegated. No Person or committee to whom the Directors have delegated powers can incur expenditure on behalf of SOS, unless approved by the Management Committee.
81. The Directors may revoke any delegation in whole or in part or alter any terms and conditions of such delegation.

Sub-Committees

82. A sub-committee to which the Directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of these Rules which govern the taking of decisions by Directors.
83. The Directors may make regulations for all or any sub-committees, provided that such regulations are not inconsistent with these Rules.
84. All acts and proceedings of any sub-committee must be fully and promptly reported to the Directors and at least to the next Management Committee Meeting.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Calling a Meeting of the Management Committee

85. Any two (or more) Directors may, and the Secretary on the requisition of at least two Directors shall, call a meeting of the Management Committee by giving reasonable notice of the meeting to all Directors. Notice of any meeting of the Management Committee must indicate the date, time and place of the meeting and, if the Directors participating in the meeting will not be in the same place, how they will communicate with each other.

Proceedings of a Meeting of the Management Committee

86. The Management Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
87. The Directors are deemed to be able to exercise the right to speak and vote at a meeting of the Management Committee and are deemed to be in attendance when the Directors can each communicate to each other any information or opinions they have on any particular item of the business of the meeting, including by Electronic Means. The Directors may make whatever arrangements they consider appropriate to enable Directors to speak and vote at meetings of the Management Committee, including by Electronic Means. In determining attendance at a meeting of the Management Committee, it is irrelevant (i) where any Director is, (ii) how the Directors communicate with each other and (iii) whether any two or more Directors attending are in the same place as each other.
88. Questions arising at any meetings of the Management Committee shall be decided by a majority of votes. In the case of an equality of votes the chair shall not have a casting vote and the vote shall be lost.
89. A written resolution, circulated to all Directors and signed by a simple majority of Directors, shall be valid and effective as if it had been passed at a Management Committee Meeting duly convened and held. A written resolution may consist of several identical documents signed by one or more Directors.
90. The Management Committee may, at its discretion, invite other Persons to attend its meetings with or without speaking rights and without voting rights. Such attendees will not count toward the quorum.

Quorum

91. The quorum necessary for the transaction of business at a meeting of the Management Committee shall be (a) 50% of the total number of Directors then in office (rounded down) or (b) seven Directors, whichever is the smaller.
92. If at any time the total number of Directors in office is less than the quorum required, the Directors are unable to take any decisions other than to increase their number by the appointment of additional Directors or to call a general meeting for the Members to appoint further Directors.

Chairing Board Meetings

93. The chair shall facilitate meetings of the Management Committee. If they are absent or unwilling to act at the time any meeting proceeds to business then the Directors Present shall choose one of their number to be the chair for that meeting.

Declaration of Interest

94. A Director shall declare an interest in any contract or matter in which they have, or a Connected Person has, a personal, material or financial interest, whether directly or indirectly, and which conflicts with the interests of SOS and shall not vote in respect of such contract or matter.

Authorising Conflicts of Interest

95. If a conflict of interest arises in respect of a Director, the unconflicted Directors may authorise such a conflict of interest where the following conditions apply:
- (a) The conflicted Director is absent from the part of any meeting at which there is discussion of the matter concerned.
 - (b) The conflicted Director does not vote on any such matter and is not counted when considering whether a quorum of Directors is Present at the meeting; and
 - (c) The unconflicted Directors consider it is in the best interests of SOS to authorise the conflict of interest concerned.

Suspension of a Director

96. If SOS receives a complaint in Writing identifying the complainant and alleging conduct by a Director that in the reasonable opinion of at least 3 Directors is detrimental to the interests of SOS, and suggests that there is, based on the complaint, a case for the complaint to be investigated and/or if SOS becomes aware of any alleged conduct by a Director which is in the reasonable opinion of at least 3 Directors detrimental to the interests of SOS, and suggests that there is a case to be investigated, then such Director may be suspended by the Management Committee by notice in Writing signed by or given in the name of at least 3 Directors.
97. Conduct detrimental to the interests of SOS includes any breach of a Director's obligations as set out in any code of conduct applicable to Directors.
98. A notice of suspension (as referred to in Rule 96) must set out reasonable details of the complaint (to the extent then known) and the date from which the suspension is to take effect.
99. The Director who has been suspended shall not (during the period of the suspension):
- (a) participate in a Management Committee meeting or any other SOS meeting. In addition, such Director shall not be entitled to receive notice of and/or vote at any meeting of the Management Committee;
 - (b) authorise or incur expenditure on behalf of SOS;
 - (c) make use of any property belonging to or in use by SOS in their capacity as a Director;

- (d) actively hold themselves out as a Director of SOS; or
- (e) commit (or seek to commit) SOS to any obligation.

100. Following the suspension concerned the Management Committee must promptly refer the matter for a fair process of investigation, which may be carried out by (i) a panel established for the purpose by the Management Committee, (ii) an independent Person or Persons selected by the Management Committee or (iii) such other body as the Management Committee shall appoint. In each such case the Management Committee shall act reasonably and shall be entitled to specify the procedures which shall apply. Such procedures shall include a fair process whereby the Director concerned is informed of the complaint made against him and is given a fair opportunity to state his case.
101. The Management Committee shall seek to adopt supporting guidance for the process of suspension of a Director which will include consideration of when it may be appropriate for the Management Committee to (a) ratify or revoke the decision to suspend and/or (b) seek to remove the Director from office as referred to in Rule 103(c).

Expenses

102. SOS may pay any reasonable expenses which the Directors properly incur in connection with their attendance at meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to SOS.

Termination of office as a Director

103. A serving Director shall be deemed to have ceased to be a Director in each of the following cases:
- (a) Where that Person is the nominee of an unincorporated association and/or a corporate entity and such unincorporated association and/or a corporate entity notifies SOS in Writing that such person is no longer to be regarded as their nominee. In such event the Person concerned shall be deemed to have ceased to be a Director on the date specified in such notice, or if no such date is specified then on the date of receipt of such notice by SOS. In the case of notice by an unincorporated association that a Person is no longer to be regarded as its nominee, if such nominee is the holder of a share then the unincorporated association concerned shall be entitled to transfer the share to a new nominee as referred to in Rule 28(b)
 - (b) That Person is disqualified by law from acting as a director. In such event the Person concerned shall be deemed to have ceased to be a Director on the date of such disqualification. The Person concerned shall not be entitled to become a Director of SOS unless and until such disqualification has ended.
 - (c) If that Person is removed from the Management Committee by a resolution of the Management Committee, passed by at least 75% of the Directors Present at the meeting concerned, excluding the Director whose removal is proposed, by reason of any of the following:
 - (i) conduct detrimental to the interests of SOS;
 - (ii) failure to carry out the functions of their role on the Management Committee;

- (iii) failure to carry out duties in a diligent, professional and timely manner to the required standard;
- (iv) failure to comply with reasonable instructions;
- (v) failure to comply with any applicable code of conduct;
- (vi) failure to attend Management Committee Meetings.

Provided that prior to any such removal (a) the Management Committee shall undertake a fair process of investigation, (b) each Director (including the Director concerned) shall be given not less than 14 days' notice in Writing of the date of the Management Committee meeting at which it is proposed to remove the Director concerned and (c) the Director concerned shall be allowed to attend and (if he attends) to speak at such meeting, but not to vote (and such Director may also be excluded from any part of such meeting at which any resolution is voted on to remove him from office). The failure of the Director concerned to attend any such meeting shall not invalidate proceedings at such meeting.

If a resolution of the Management Committee is passed in accordance with this Rule 103(c), then the Director concerned shall (a) be deemed to have ceased to be a Director (and Officer) on the date specified by the Management Committee in the resolution removing such Director from office and (b) not be eligible to be appointed as a Director unless the Management Committee resolve that such Person shall be eligible to be appointed so appointed.

- (d) That Person ceases to be a Member of SOS. In such event the Person concerned shall be deemed to have ceased to be a Director on the date such Person ceased to be a Member of SOS and such Person not be eligible to be appointed as a Director unless the Management Committee resolve that such Person shall be eligible to be appointed so appointed.
- (e) That Person is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011. In such event the Person concerned shall be deemed to have ceased to be a Director on the date such Person was so disqualified and such Person not be eligible to be appointed as a Director unless the Management Committee resolve that such Person shall be eligible to be appointed so appointed.
- (f) That Person is an undischarged bankrupt. In such event the Person concerned shall be deemed to have ceased to be a Director on the date such Person was made bankrupt and such Person not be eligible to be appointed as a Director unless (a) applicable law permits him to be appointed as a Director and (b) the Management Committee resolve that such Person shall be eligible to be appointed so appointed.
- (g) In the written opinion, given to the Management Committee, of a registered medical practitioner treating that Person, the Person concerned has become physically or mentally incapable of acting as a Director and may remain so for more than three months and the Management Committee (acting reasonably) resolve that such person shall have ceased to be a Director on the date decided by the Management Committee.

- (h) If that Person resigns as a Director, by notice in writing delivered to any meeting of the Management Committee and/or to any other Director.

OFFICERS

104. The Management Committee shall appoint from among the Directors such number of persons to act as officers of SOS (“**Officers**”) as the Management Committee may from time to time decide. In relation to this:
- (a) Such Officers shall include: Chair, Vice Chair, Secretary, Treasurer, Supporters Board Chair and such other offices as the Management Committee may from time to time decide.
 - (b) The Management Committee shall be entitled to specify rules regarding the skills, qualifications minimum expectations and experience needed to be an Officer. The Management Committee shall be entitled to specify the rules and procedures relating to Officers, including as to removal from office.
 - (c) The Officers shall have such duties, roles, responsibilities and rights as may be decided from time to time by the Management Committee or may be bestowed by law.
 - (d) Any Officer appointed may be removed by resolution of the Management Committee.
 - (e) If an Officer has ceased to be a Director for any reason then (subject to Rule 104(e)) such Officer shall be deemed to have been removed from office and to have ceased to be an Officer on the date that such person ceased to be a Director.
 - (f) A serving Officer who is not re-elected to the Management Committee at the relevant annual general meeting shall nevertheless continue in office until the first Management Committee Meeting following the annual general meeting (and such Officer’s appointment shall be deemed terminated immediately prior to such Management Committee Meeting).

SECRETARY

105. The Management Committee of SOS shall appoint a Secretary on such terms and at such remuneration and upon such conditions as they think fit. Any Secretary so appointed may be removed by the Management Committee.
106. The position of Secretary shall not be held by the person who concurrently holds the office of Chief Executive, if any, of SOS.

DISPUTES AND ARBITRATION

107. These Rules are subject to the laws of England and Wales and the courts of England and Wales have jurisdiction.

REGULATIONS

108. SOS in a general meeting, and/or the Management Committee, may from time to time make, adopt, amend and replace such regulations in the form of bye-laws, standing orders, secondary rules or otherwise (all the same being “**Regulations**”) as they think fit for the management, conduct and regulation of the affairs of SOS and the proceedings and powers of the Management Committee and sub-committees. Such Regulations (if any) shall be made available to all Members. No Regulations shall be made which are inconsistent with these Rules or the Act. All Members of SOS and the Management Committee shall be bound by such Regulations whether or not they have received a copy of them. No Regulations made and/or adopted (nor any amendment to and/or replacement of any Regulations) shall invalidate any prior act of SOS and/or the Management Committee which would have been valid had those Regulations not been made, adopted amended and/or replaced.

LIABILITY OF MEMBERS

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

APPLICATION OF PROFITS

110. Any profits of SOS shall be applied as follows in such proportions and in such manner as may be decided by SOS at an annual general meeting:
- (a) To a general reserve for the continuation and development of SOS.
 - (b) To making payment for social, co-operative or community purposes.

AMALGAMATION WITH & TRANSFER OF ENGAGEMENTS TO AND FROM A SOCIETY

111. If the Management Committee is considering a transfer of engagements to, or amalgamation with, another co-operative it must satisfy itself that Members’ interests are safeguarded during negotiations. It must provide Members with all of the information they need to make an informed choice as to whether or not to approve the transfer.
112. If the Management Committee is considering the acceptance of a transfer of engagements from, or amalgamation with, another co-operative, and where this transaction is equivalent in value to one-third or more of the accepting co-operative’s net assets on its last published balance sheet, it must be mindful of the interests of Members and should consult and provide them with all of the information they need to express an informed preference as to whether or not the transfer should be approved.
113. SOS may, by special resolution passed in accordance with section 111 of the Act, amalgamate with, or transfer its engagements to another co-operative. Only Eligible Members may vote on a special resolution.

AMALGAMATION, TRANSFER OF ENGAGEMENTS AND CONVERSION TO A COMPANY

114. SOS may in accordance with sections 112 and 114 of the Act, by a special resolution passed in accordance with section 113 of the Act, amalgamate with, or transfer its engagements to, or convert to a company. Only Eligible Members shall be entitled to receive notice of and/or vote on such a special resolution. In relation to calling a general meeting for the purpose of such resolution, the following provisions shall apply:

- (a) SOS shall give to Eligible Members not less than two months' notice of the first meeting (as referred to in s113(2)(c)).
- (b) Notice of the meeting shall (in addition to being given to Eligible Members as referred to above) be posted in a prominent place at SOS' registered office and at all business premises of SOS to which Eligible Members have access.
- (c) The notice shall be accompanied by a separate statement setting out for Eligible Members:
 - (i) The reasons for the proposal.
 - (ii) Whether the proposal has the support of the Management Committee.
 - (iii) What alternative proposals have been considered, and whether they are viable.
 - (iv) Details of the number of shares in SOS held by Directors and their Connected Persons.
 - (v) A recommendation by reputable independent financial advisors that the Eligible Members should support the proposal rather than any alternative proposal.
- (d) Where the separate statement is contained in another document, information shall be provided in the notice specifying where Eligible Members can obtain a copy of the document.

DISSOLUTION

115. SOS may be dissolved:

- (a) In accordance with section 119 of the Act, by an instrument of dissolution.
- (b) In accordance with section 123 of the Act, in pursuance of an order or resolution made as referred to in s123 of the Act.
- (c) In accordance with section 125 of the Act.

116. SOS is a common ownership enterprise. If, on the winding up or dissolution of SOS, any of its assets remain to be disposed of after its liabilities are satisfied, these assets shall not be distributed among the Members but shall be transferred to some other common ownership co-operative(s), or to Co-operatives UK (or any body that succeeds to its function). If such residual assets cannot be distributed in this manner they shall be transferred to some other organisation(s) whose purpose is to promote and support the co-operative movement and common ownership enterprises.

ADMINISTRATIVE ARRANGEMENTS

Means of Communication

117. SOS may communicate with and serve notices and documents on a Member by Electronic Means if the Member concerned has provided SOS with a fax number and/or email address for communication with them for any purpose (and has not instructed

SOS in Writing that it will not accept communications, notices and/or documents served by Electronic Means).

118. A notice sent to a Director's Address by post shall be deemed served 48 hours after its posting, a notice delivered to a Director by hand shall be deemed served on the day of delivery and a notice sent to a Director by Electronic Means shall be deemed served on the day after the date on which it was sent, provided that no notice is received by SOS stating that such notice has not been delivered by such Electronic Means. In addition, a Director may agree with SOS that notices or documents sent to them in another particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Seal

119. If SOS has a seal, it shall only be used by the authority of the Management Committee acting on behalf of SOS. Every instrument to which the seal shall be attached shall be signed by a Director and countersigned by a second Director or the Secretary. The Management Committee may in the alternative authorise the execution of deeds in any other way permitted by law.

Registers

120. The Management Committee shall ensure accurate registers are maintained which shall include a register of Members, a register of Directors and a register of Officers.

Register of Members

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

Register of Directors and Officers

122. SOS shall maintain a register of Directors and Officers which shall include the following particulars:
- (a) Name of the Director and/or Officer.
 - (b) Address of the Director and/or Officer.
 - (c) The date on which they assumed office.
 - (d) The date on which they vacated office.
 - (e) The position held by a Director if they are also an Officer and the date on which the Director assumed and vacated their Officer position.

Amendments to Rules

123. Provided that requirements of the Act and these Rules are complied with, any of these Rules may amended and/or replaced by an Extraordinary Resolution at a general meeting of which 14 Clear Days' notice has been given, such notice to include details of the proposed change(s). No amendment and/or replacement of Rules is valid until registered by the Registrar. When submitting the rule amendments and/or replacement

Rules for registration the Secretary and/or the Management Committee may at their sole discretion accept any alterations required or suggested by the Registrar without reference back to a further general meeting of SOS.

Copies of SOS's Rules

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

Minutes

125. SOS shall ensure that minutes are kept of all:
- (a) Proceedings at general meetings of SOS.
 - (b) Proceedings at meetings of the Management Committee and its sub-committees.
126. Minutes shall record the names of those Present at general meetings and Management Committee meetings and the decisions made. The minutes shall be confirmed as an accurate record by a signature of the chair of the relevant meeting. Minutes are available for inspection in accordance with the Act (see for example sections 103 and 104 of the Act).

Annual Return

127. Every year SOS shall comply with s89 of the Act in relation to sending annual returns (and related documents) to the FCA.
128. SOS shall supply free of charge to any Member or any person with an interest SOS' funds (as referred to in s90(2) of the Act) a copy of the latest annual return together with the documents required by s90(2) of the Act.
129. SOS shall at all times keep a copy of the latest balance sheet of SOS together with a copy of the corresponding Auditor's report (if any) displayed in a conspicuous place at the registered office.

Accounts

130. In each year of account, the Management Committee shall ensure that:
- (a) A revenue account(s) is prepared, which deals with the affairs of SOS as a whole for that year and which gives a true and fair view of the income and expenditure of SOS for that year.
 - (b) A balance sheet is prepared giving a true and fair view as to the state of the affairs of SOS.
 - (c) SOS adopts and conforms to the relevant accounting standards applicable to SOS. Any variation shall be reported clearly to the Members in SOS's annual report.

131. The Management Committee shall, if it thinks fit, prepare a revenue account(s) for less than one year of account and a balance sheet at the end of the period covered by such revenue account(s).
132. Every revenue account and balance sheet presented to the annual general meeting shall be accompanied by a report of the Management Committee on the state of SOS's affairs.
133. Subject to the Act, any financial statements shall be reviewed by the Auditor and any revenue account(s) or balance sheet shall be audited by SOS's Auditor and an Auditor's report produced, prior to publication.

Audit

134. Subject to the Act, SOS shall appoint an Auditor to act for each financial year to audit SOS' accounts and balance sheet.
135. Subject to s93 of the Act, an Auditor for the preceding financial year shall be re-appointed as Auditor of SOS for the current financial year.
136. Any ordinary resolution of a general meeting of SOS, either to remove an Auditor from office or to appoint another Person as Auditor, shall not be effective unless notice of the proposed resolution has been given to in accordance with s94(2) and s94(3) of the Act. SOS shall also notify Eligible Members of such meeting in accordance with s94(3)(b) of the Act.
137. The following Persons shall not be appointed as Auditor of SOS:
 - (a) An Officer or Employee of SOS.
 - (b) A Person who is a partner or employee of, or who employs, an Officer of SOS.
138. The Management Committee may appoint an Auditor to fill a casual vacancy occurring between general meetings.

Social Accounting and Reporting

139. In addition to any financial accounts required by the Act, SOS may undertake a review of its activities in order to understand and demonstrate to Members and stakeholders how its activities demonstrate the benefits and purpose of co-operating and how this 'co-operative difference' provides an impact to Members and other stakeholders.

Cheques, promissory notes etc

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

Indemnity and Insurance

141. Subject to the following rule, any Director or former Director of SOS may be indemnified out of SOS's assets against:

- (a) Any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to SOS.
- (b) Any liability incurred by that Director in connection with the activities of SOS in its capacity as a trustee of an occupational pension scheme.
- (c) Any other liability incurred by that Director as an Officer of SOS.
142. The above rule does not authorise any indemnity which would be prohibited or rendered void by any provision of law.
143. The Directors may decide to purchase and maintain insurance, at the expense of SOS, for the benefit of any Director or former Director of SOS in respect of any loss or liability which has been, or may be, incurred by such a Director in connection with their duties or powers in relation to SOS, or any pension fund or employees' share scheme of SOS.

Signatures of Members	Full Names of Members who have signed in BLOCK CAPITALS (no initials)
1.	PAUL RASOOL KAHN
2.	PETER JOSEPH HOOTON
3.	HELEN JOANNE BROWN
Signature of Secretary	Full Name of Secretary in BLOCK CAPITALS (no initials)
1.	HELEN JOANNE BROWN

- Accepted as a model by the Financial Conduct Authority 2022 v.1 –