

11 June 2020

# **CONSTITUTION**

**Understanding Animal Research LIMITED**

**REGISTER N° MS28954R**

**Registered under the Co-operative and Community Benefit Societies  
Act, 2014**

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## Definitions and interpretations

1. In these rules, including this rule, unless the subject matter or context are inconsistent:-

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

**“Amendment of rules”** shall include the making of a new rule and the rescission of a rule, and “amended” in relation to rules shall be construed accordingly;

**“Associate”** means any person or organisation admitted as an associate of the Society having such title and such rights and responsibilities as the Council may prescribe in accordance with rule 19 (an Associate shall not be a member of the Society and has no right to attend and vote at a General Meeting of the Society);

**“Clear Days”** in relation to a period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**“Council”** means the management council of the Society;

**“Chief Executive”** means the person appointed by the Council to that function in accordance with Clause 64 or other person authorised by the Council to act as the Chief Executive’s deputy;

**“the Honorary Officers”** means the Chairman, and Honorary Treasurer of the Society;

**“Honorary Vice-President”** means any person appointed as such under Rule 39;

**“Individual Member”** means a member of the Society who is an individual;

**“Member”** means one of the persons referred to in rule 11;

**“Organisational Member”** means any member of the Society which is a corporate body or the nominee of an unincorporated body, university department or similar;

**“President”** means the President of the Society;

**“Property”** shall include all real and personal estate (including, without limitation, loan stock certificates, books and papers);

**“Register of members”** means the register kept in accordance with rule 82;

**“these rules”** shall mean the registered rules of the Society for the time being;

**“the Seal”** means the common seal of the Society;

**“the Society”** shall mean the Society of which these are the registered rules;

**“The United Kingdom”** means Great Britain and Northern Ireland.

- words importing the singular or plural shall include the plural and singular respectively;
- words importing gender shall include the male and female genders;
- any reference to an Act shall include any amendment or re-enactment from time to time;
- references to any provision in any Act shall include reference to such provision as from time to time amended, varied, replaced, extended or re-enacted and to any orders or regulations made under such provision;
- expressions referring to writing shall unless the contrary intention appears be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form

## **Name**

2. The name of the Society shall be Understanding Animal Research Limited

## **Objects and Power**

3. The Society is formed for the promotion of the interests of science, education and the scientific profession for the benefit of persons engaged in such education and professions and for the following objects in so far as they are conducive or incidental to the aforesaid objects:-
  - 3.1 to inform the public about research and testing which depend on experiments involving animals and their importance for human and animal welfare;
  - 3.2 to give advice and assistance to any person relating to the use of animals in research and testing;
  - 3.3 to monitor, influence and where appropriate promote legislation, guidelines and other controls which affect the use of animals in research and testing;

- 3.4 to promote improvements in such research and testing and the development of alternative experimental methods where this is practicable;
  - 3.5 to promote improvements in the care and welfare of laboratory animals;
- and
- 3.6 to promote education and research in the biological and medical sciences.
4. The Society shall have the power to do everything that a natural or corporate person can lawfully do which is necessary or expedient to achieve its objects except as expressly prohibited by these rules. Without limiting these general powers, the Society may:-
- 4.1 cause to be written and printed or otherwise reproduced and circulated, gratuitously or otherwise, periodicals, magazines, books, leaflets or other documents or films or recorded tapes;
  - 4.2 hold exhibitions, meetings, lectures, classes, seminars and courses either alone or with others;
  - 4.3 foster and undertake any research into any aspect of the objects of the Society and its work and to disseminate the results of any such research;
  - 4.4 collect interpret and publish the results of study or research;
  - 4.5 co-operate and enter into arrangements with any authorities whether national, local or otherwise;
  - 4.6 accept subscriptions, donations, devises and bequests of and to purchase, take on lease or in exchange, hire or otherwise acquire and hold any real or personal estate, maintain and alter any of the same as are necessary for any of the objects of the Society and sell, lease or otherwise dispose of or mortgage any such real or personal estate;
  - 4.7 issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Society in the shape of donations, subscriptions or otherwise;
  - 4.8 draw, make, accept, indorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;
  - 4.9 borrow or raise money for the objects of the Society on such terms on such security as may be thought for (and with such consents as are required by law);

- 4.10 lend and advance money or give credit to any person or company to guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company to secure or undertake in any way the repayment of money lent or advanced to or the liabilities incurred by any person or company and otherwise to assist any person or company and generally to enter into and execute such indemnities guarantees and insurances as may be deemed necessary or convenient for the promotion of the Society's objects;
- 4.11 take and accept any gift of money property or other assets whether subject to any special trust or not for any one or more of the objects of the Society;
- 4.12 invest the money of the Society not immediately required for its objects in or on such investments securities or property as may be thought fit subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law;
- 4.13 purchase or otherwise acquire plant and machinery including computer hardware and software furniture fixtures fittings and all other effects of every description and to apply for registration of any patents rights copyrights licences and the like;
- 4.14 make any donation either in case or assets for the furtherance of the objects of the Society;
- 4.15 to establish and support any association or body and to subscribe or guarantee money for purposes calculated to further the objects of the Society;
- 4.16 to employ and pay any person or persons to supervise, organise or carry on the work of and advise the Society;
- 4.17 to insure and arrange insurance cover for and to indemnify its officers, servants and voluntary workers and those of its members from and against all such risks incurred in the course of the performance of their duties as may be thought fit;
- 4.18 to pay reasonable annual sums or premiums for or towards the provision of pensions for officers or servants for the time being of the Society or their dependants;
- 4.19 to amalgamate with any companies, institutions, societies or associations which have objectives similar to those of the Society;
- 4.20 pay out of the funds of the Society the costs, charges and expenses of and incidental to the formation and registration of the Society;

- 4.21 to establish where necessary local branches (whether autonomous or not);
- 4.22 to undertake and execute any trusts which may lawfully be undertaken by the Society and may be conducive to its objects;
- 4.23 to exercise any power or discretion conferred upon or invested in it by the Trust Deed of the Biomedical Research Education Trust (formerly known as the Research Defence Society Charitable Trust) registered with the Charity Commissioners as a Charitable Trust under number No. 263816. Provided always that the Society shall make no alteration to the provisions of Clauses 3 or 8 of the Trust Deed of the said Trust without the consent and approval of the Charity Commissioners for England and Wales or a Court having jurisdiction in charitable matters in England and Wales.

PROVIDED THAT all the above powers shall be subject to the provisions of rule 5 below.

#### **Application of income and property**

- 5. The income and property of the Society shall be applied solely towards the promotion of its objects as set forth in these rules and no portion of such income and property shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way or profit to members of the Society PROVIDED THAT nothing shall prevent any payment in good faith by the Society:-
  - 5.1 of reasonable and proper remuneration to any member, officer or servant of the Society for any services rendered to the Society and of travelling expenses necessarily incurred in carrying out the duties of any member, officer or servant of the Society;
  - 5.2 of interest on money lent by any member of the Society or of its management Council;
  - 5.3 of reasonable and proper rent for premises demised or let by any member of the Society or of its management Council;
  - 5.4 of fees, remuneration or other benefit in money or money's worth to a company of which a member of the management Council may be a member.

#### **Trading for profit; deposits**

- 6. The Society shall not trade for profit.

7. The Society shall not have power to receive money on deposit.

## **Shares**

8. The Society's share capital shall be raised by the issue of shares. Each share has the nominal value of one pound.
9. No shareholder shall hold more than one share.
10. The shares shall be fully paid prior to issue, shall not be withdrawable or transferable, shall carry no right to interest, dividend or bonus, and shall be forfeited and cancelled on cessation of membership from whatever cause, and the amount paid up on such cancelled shares shall become the property of the Society.

## **Members**

11. A member of the Society is a person or body whose name and address is entered in the register of members. The liability of each member is limited.
12. The subscribers to the rules of the Society and such other persons or bodies as the Council shall admit to membership shall be members of the Society. The Council in its absolute discretion shall have the right to refuse to admit any person or body to be a member.
13. There shall be the following categories of membership:-

13.1 Individual Members; and

13.2 Organisational Members

Those members who were prior to the date of adoption of these rules company members, institutional members or departmental members of the Society shall be deemed to be Organisational Members.

14. An application for membership must be in such form as the Council requires and must state the category of membership applied for and may be approved or rejected by the Council. The Council shall have the right to terminate the membership of any member for conduct detrimental to the Society. A member may only be expelled pursuant to this rule by a resolution passed by two-thirds of those voting at a special meeting of the Council. The Council must give the member at least one month's notice in writing of the meeting. The notice calling the Council meeting must set out particulars of the complaint of conduct detrimental to the Society, and must request the member to attend the

meeting (whether or not he or she is a Council member) to answer the complaint. At the Council meeting called for this purpose the members shall consider the evident of detrimental conduct presented to it and any evidence presented by the member. The meeting may take place even if the member does not attend. If the resolution to expel the member is passed in accordance with this rule, the member shall immediately cease to be a member.

15. Unless the members of the Council and the Society in General Meeting shall make other provision pursuant to the powers contained in rules 66 and 67 the Council may in its absolute discretion permit any member of the Society to retire upon the giving of at least seven Clear Days' notice to the Society PROVIDED THAT after such retirement the number of members is not less than three.
16. Membership shall not be transferable and shall cease on death or forthwith upon the making of a bankruptcy order or, in the case of an Organisational Member, forthwith upon its dissolution or winding up or on the making of an administration order or the appointment of a receiver or Liquidator. In accordance with section 37 of the Act, a Member may nominate one or more persons to whom property which that Member holds in the Society may be transferred on death. On receiving a satisfactory proof of death of a Member who has made a nomination the Society shall, in accordance with the Act, either transfer or pay the full value of the property comprised in the nomination to the individual or individuals entitled thereunder. Any property held by a Member who dies or becomes bankrupt which is not dealt with by nomination under this Rule shall be dealt with as follows:

Upon a claim being made by:

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

to any property in the Society belonging to such a Member, the Society shall transfer or pay property to which the personal representative, trustee in bankruptcy or Office Holder has become entitled as that person may direct them.

17. The members shall pay an annual subscription to the Society which shall be such sum as determined by the Council from time to time for each category of membership and which shall be payable at such date as determined by the Council. Within each category of member the Council may prescribe different levels of subscription for various types of member. Any member whose subscription shall be in arrears for more than six months shall have their membership suspended. There shall be no Life Members of the Society.
18. Any member whose subscription has been in arrears for more than six months and whose membership has been suspended, may have his membership

terminated by the Council if the Council has written to the member at the address entered in the register of members at least three times (at least one month apart) since the date on which the membership was suspended asking for confirmation that the member wishes to remain a member of the Society and no response has been received within one year from the date on which his or its subscription was due to be paid.

### **Associates**

19. The Council may from time to time prescribe different classes of Associate and shall specify such privileges and duties of such classes of Associate in the regulations and may determine such title or nomenclature for the Associates as it thinks fit. An Associate shall not be a member of the Society and shall not have any right to attend and vote at a General Meeting of the Society.

### **General Meetings**

20. The Society shall each calendar year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notice calling it. The Annual General Meeting shall be held at such time and place as the Council shall appoint. All General Meetings other than Annual General Meetings shall be called Special General Meetings.
21. The Council may whenever it thinks fit convene a Special General Meeting. A Special General Meeting may alternatively be convened on a requisition of not less than 10 per cent of the members (subject to a minimum of 10 and a maximum of 100). If at any time there are not within the United Kingdom sufficient members of the Council to form a quorum any member of the Council or any two members of the Society may convene a Special General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Council.

### **Notice of General Meetings**

22. General meetings shall be called by at least 14 Clear Days' notice in writing. Subject to the provisions of rules 91 to 93, the Notice shall be given to all the members and to the Council members and Auditors. The Notice shall specify the place, the day and the hour of the meeting and in case of special business the general nature of that business. In the case of Annual General Meeting the notice shall specify the meeting as such, the notice shall be given in the manner mentioned below in rules 91 to 93 PROVIDED THAT a meeting of the Society shall notwithstanding that it is called by shorter notice than that specified in this rule be deemed to have been duly called if it is so agreed by all members entitled to attend and vote.

23. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at the meeting.

### **Proceedings at General Meetings**

24. The business to be transacted at an Annual General Meeting shall include the consideration of the accounts, balance sheets and the reports of the Council and auditors, the election of members of the Council and other officers of the Society in the place of those retiring and the appointment of the auditors.
25. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business. Twelve members present in person or via electronic connection, or by proxy or (in the case of an Organisational Member) by authorised representative shall be a quorum unless there are less than twelve members in which case all of the members present in person or by proxy or by authorised representative shall be a quorum. If within half an hour from the time appointed for the meeting a quorum is not present or it during a meeting such a quorum ceases to be present the meeting if convened on the requisition of members shall be dissolved. In any other case it shall be adjourned to the same day in the next week at the same time and place or to such any day and at such other time and place as the Council may determine.
26. The President (if any) of the Society shall chair every General Meeting of the Society or, if there is no such President or if he or she shall not be present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act, the members of the Council present shall elect one of their number to chair the meeting.
27. If at any meeting no Council member is willing to chair the meeting or if no Council member is present within 15 minutes after the time appointed for the holding of the meeting the members present shall choose one of their number to chair the meeting.
28. The person chairing the meeting may with the consent of any 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 any adjourned meeting other than the business left unfinished at the meeting from which the adjournment meeting other than the business left unfinished at the meeting from which he adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

29. Any member may appoint a proxy to attend a meeting and speak and vote on his or its behalf. Every such appointment shall be notified to the Society in writing signed by the member making it or under authority conferred by him or it. A proxy need not be a member.
30. At any General Meeting a resolution to put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands, a poll is demanded by the chairman of the meeting or by not less than three members present in person or by proxy.
31. A resolution in writing signed by all the members entitled to receive notice of and to attend and vote at General Meetings (or, being organisations, by their duly authorised representatives) shall be as valid and effective as if it had been passed at a General Meeting of the Society duly convened and held. Any such resolution in writing may consist of two or more documents in like form each signed by one or more of the members.

### **Votes of Members**

32. Subject to rule 33 on a show of hands every member present in person or via electronic connection (or by a duly authorised representative) shall have one vote and on a poll every member present in person or via electronic connection or by authorised representative or by proxy shall have one vote.
33. No member whose membership is suspended under rule 17 shall be entitled to vote or to enjoy any privileges of the Society.

### **Organisations acting by Representatives and appointing Proxies**

34. Any Organisational Member may by resolution of its council or other governing body or at the behest of any duly authorised director or officer authorise such person as it thinks fit to act as its representative at any meeting of the Society and to appoint proxies on its behalf and shall give written notice thereof to the Society and the person so authorised shall be entitled to vote on behalf and represent the interests of that Organisational Member at any meeting of the Society and to appoint proxies until by notice in writing to the Society the authority is withdrawn and the Organisational Member notifies the Society of another person to represent it.

### **Council of Management**

35. There shall be no fewer than 10 and no more than 14 Council members unless otherwise determined by the Society in general meeting.

36. The Council members shall be paid all reasonable expenses properly incurred by them in attending and returning from Council meetings or general meetings of the Society or in connection with the business of the Society.

### **Borrowing Powers**

37. The Council may exercise all the powers of the Society to borrow money and to mortgage or charge the whole or any part of its undertaking and property and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Society or of any third party. The total borrowings of the Society at any time shall not exceed £10 million (ten million pounds) or such larger sum as the Society determines from time to time in general meeting. The rate of interest payable at the time terms of the borrowing are agreed on any money borrows shall not exceed the rate of interest which, in the opinion of the Council, is reasonable having regard to the terms of the loan. The Council may delegate the determination of the said interest rate to an officer, Council member or committee.

### **Powers and Duty of the Council**

38. The business of the Society shall be managed by the Council who may pay all expenses incurred in the formation of the Society and may exercise all such powers of the Society as are not required to be exercised by the Society in general meeting. Any such requirement may be imposed either by the Act or by these rules or by any regulation made by the Society in general meeting but no such regulation shall invalidate any prior act of the Council which would have been valid if that regulation had not been made.
39. The Council may appoint as Honorary Vice Presidents of the Society any persons whether or not members of the Society who in the opinion of the Council have rendered distinguished service in furthering the objects of the Society.
40. All cheques and other negotiable instruments and all receipts for money paid to the Society shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Council shall from time to time determine.
41. The Council shall cause minutes to be made:
- 41.1 of all appointments of officers made by the Council;
  - 41.2 of the name of the Council members present at each Council meeting;

- 41.3 of all resolutions and proceedings at all meetings of the Society and of the Council.
- 42. The President of the Society shall be nominated by the Council for election at a general meeting of the Society.
- 43. The President shall hold office for such period of time as the Council may determine.

### **Disqualification of Council Members**

- 44. The office of a Council member shall be vacated if the Council member;
  - 44.1 becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - 44.2 becomes prohibited from being a Council member by law; or
  - 44.3 becomes incapable by any reason of mental disorder, illness or injury of managing and administering his property and affairs; or
  - 44.4 resigns his office by written notice to the Society; or
  - 44.5 is directly or indirectly interested in any contract with the Society and fails contrary to rule 45 to declare the nature of his interest or (if he is the representative of an Organisational Member) the interest of that member; or
  - 44.6 shall for more than six consecutive months have been absent without permission of the Council from Council meetings held during that period and the Council resolves that his office be vacated.
  - 44.7 is the representative of an Organisational Member that has resigned as a member or in respect of which an Administration order has been made or to which a receiver or liquidator has been appointed unless the Council resolves that the Council member shall remain in office for the remainder of his term.
- 45. A Council member shall disclose and shall not vote in respect of any contract in which he and/or the Organisational Member he represents is directly or indirectly interested or in respect of any matter arising out of it and if he does vote his vote on any business concerning that contract shall not be counted.

### **Appointment and election of Council members**

46. Council members shall be elected by the members at the Annual General Meeting of the Society provided that only members and representatives of Organisational Members may stand for election.
47. Council members shall serve for a term of three years commencing at the conclusion of the Annual General Meeting at which their appointment is made and terminating at the end of the third Annual General Meeting following their appointment, provided that in exceptional circumstances the members shall have power to determine such shorter term of office as they see fit at the time of appointment.
48. A retiring Council member who is a member or the representative of an Organisational Member may be reappointed provided that no Council member (other than an Honorary Officer) shall serve for more than two consecutive terms without a lapse of not less than one year after the end of the second term).
49. If a Council member does not complete his term of office the Council may appoint any member or representative of an Organisational Member as a Council member as his replacement for the remainder of his term.
50. The Council may at any time co-opt any person (whether or not a member or a representative of an Organisational Member) either to fill a vacancy or (subject to rule 35) as an additional Council Member but so that at no time shall more than one-quarter of the members of the Council be co-opted members.
51. In the event that the size of the Council should drop below the minimum number of members of Council prescribed by these rules, the members of the Council may act to increase their number or to call a General Meeting of the Society, but for no other purpose.
52. The Council shall elect the Honorary Officers of the Society from amongst their number. Any Honorary Officer so appointed may be removed or replaced by a majority vote of the Council at any time or by a majority vote of the members at a Special General Meeting the notice for which specified that the matter was to be raised.
53. The Society may by ordinary resolution remove any Council member before the expiration of his period of office notwithstanding anything in these rules or in any agreement between the Society and such member. The Society may by ordinary resolution appoint another person in place of a Council member removed under this rule.

### **Proceedings of the Council**

54. The Council may meet together in person or via electronic connection for the despatch of business, adjourn and otherwise regulate its meeting as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In

case of an equality of votes the person chairing the meeting shall have a second or casting vote. A Council member may and the Chief Executive on the request of a Council member shall at any time summon a Council meeting. It shall not be necessary to give notice of a Council meeting to any Council member for the time being absent from the United Kingdom.

55. The quorum necessary for the transaction of the business of the Council may be fixed by the Council and unless so fixed shall be six, including at least one Honorary Officer.
56. The Council may act notwithstanding any vacancy in its body but if and so long as its number is reduced below the number fixed by or pursuant to the rules of the Society as the quorum of members, the Council may act for the purpose of increasing the number of members to that number or of summoning a general meeting of the Society but for no other purpose.
57. The Chairman of the Society shall chair the Council's meetings but if at any meeting the Chairman is not present with 15 minutes after the time appointed for holding the same the Council members present may choose one of their number to chair the meeting.
58. The Council may delegate any of its powers to sub-committees consisting of such persons as it thinks fit.
59. A sub-committee may elect a chairman of its meetings. If no such chairman is elected or if at any meeting the chairman is not present within 15 minutes after the time appointed for holding the same the Council members present may choose one of their number to chair the meeting provided that the chairman of the sub-committee shall always be a member of the Council.
60. A sub-committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the Council members present and in the case of an equality of votes the chairman shall have a second or casting vote.
61. All acts done by any meeting of the Council or of a sub-committee or by any person acting as a Council member shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member or person acting as a member or that any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Council member.
62. A resolution in writing signed by 75 per cent of the members of the Council or of a sub-committee entitled to receive notice of a meeting of the Council or of that sub-committee, as the case may be, shall be as valid and effectual as if it had been passed at a meeting of the Council or of that sub-committee, as the case may be, duly convened and held and may consist of several documents in like form each signed by one or more Council or sub-committee members.

63. A power conferred upon the Society by the Biomedical Research Education Trust (formerly known as the Research Defence Society Charitable Trust) to appoint a new Trustee or Trustee of that trust shall be exercised by the Council in its sole discretion.

### **Chief Executive**

64. The Chief Executive of the Society shall be appointed by the Council for such term, at such remuneration and on such conditions as the Council think fit and any Chief Executive so appointed may be removed by it. The Chief Executive shall fulfil all the functions conferred by law on the secretary.

### **The Seal**

65. The Council shall provide for the safe custody of the Seal which shall be used only by the authority of the Council or of a sub-committee authorised by the Council in that behalf and every instrument to which the seal shall be affixed shall be signed
- 65.1 by a Council member and countersigned by the Chief Executive or by a second Council member or by some other person appointed by the Council for the purpose; or
- 65.2 in any other way determined by the Council.

### **Regulations and byelaws**

66. The Council may from time to time make such regulations or byelaws as it may deem necessary or convenient for the proper conduct and management of the Society and for the purpose of prescribing classes of and conditions of membership. In particular, but without prejudice to the generality of the above, it may by such regulations or byelaws regulate:-
- 66.1 The admission of members of the Society and the rights and privileges of the members and the conditions of membership and the terms on which members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members;
- 66.2 The conduct of members of the Society in relation to one another and to the Society's employees;

- 66.3 The setting aside of the whole or any part or parts of the Society's premises at any particular time or times or for any particular purpose or purposes;
- 66.5 The procedure at general meetings and meetings of the Council and sub-committees in so far as such procedure is not regulated by these rules; and
- 66.6 Generally all such matters as are commonly the subject matter of Society rules.
67. Regulations or byelaws made by the Council shall not take effect until they have been ratified by the Society in general meeting. The Society in general meeting shall have power to alter or repeal the regulations or byelaws and to make additions to them and the Council shall adopt such means as it deems sufficient to bring to the notice of members of the Society all such regulations or byelaws which so long as they shall be in force shall be binding on all members of the Society. No regulation or byelaw shall be inconsistent with or shall affect or repeal anything contained in the rules of the Society.

### **Miscellaneous**

68. Every officer or employee shall be indemnified by the Society for any amount reasonably incurred in the discharge of their duty.

### **Auditor**

69. The members shall vote annually, as allowed by section 84 of the Co-operative and Community Benefit Societies Act 2014, at the Annual General Meeting, to have, when necessary in law or where the membership requires:
- an audit carried out by a qualified auditor
  - an audit carried out by two or more lay auditors
  - a report by a qualified auditor
  - or unaudited accounts, where the conditions for such exist.
70. If a full audit or a report is required, a person who is a qualified auditor under section 91 of the Co-operative and Community Benefit Societies Act 2014 shall be appointed. The qualified or lay auditors, if so appointed, shall not be officers or servants of the society and nor shall they be partners of, or in the employment of, or employ, an officer or servant of the society. Lay auditors shall be chosen by the Committee of Management from the general membership and/or others.

If the membership vote for unaudited accounts, the society's income/expenditure ledger shall be scrutinised by the secretary and committee members only and signed, as a true record, by the secretary and two committee members or any other number as may be required by legislation.

An income/expenditure report will be prepared to present to the society's members at each Annual General Meeting.

71. An auditor must be appointed by resolution at a general meeting save that the Council may appoint an auditor to fill a casual vacancy.
72. Where an auditor is appointed to audit the accounts for the preceding year, they shall be re-appointed to audit the current year's as well unless:
  - 72.1 a general meeting has appointed someone else to act or has resolved that the auditor shall not act; or
  - 72.2 the auditor does not want to act and has told the Society so in writing; or
  - 72.3 the person is not qualified or falls within rule 70; or
  - 72.4 the auditor has become incapable of acting; or
  - 72.5 notice of intention to pass a resolution to appoint another auditor, or that the auditor shall not act, has been given.
73. Not 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.
74. The Society shall send a copy of the resolution to the retiring auditor and also give notice to its members at the same time and in the same manner, if possible. If it is not possible to give such notice, the Society shall give notice by advertising in a local newspaper at least 14 days before the proposed meeting. The retiring auditor can make representations to the Society which must be notified to its members under Section 95 of the Act.

### **Auditor's duties**

75. The findings of the auditor shall be reported to the Society, in accordance with Sections 95 & 96 of the Act.
76. The Council shall produce the revenue account and balance sheet audited by the auditor, and the auditor's report at each annual general meeting. The Council shall also produce its report on the affairs of the Society which shall be signed by the person chairing the meeting which adopts the report.

### **Accounting requirements**

77. The end of the accounting year must be a date allowed by the Financial Conduct Authority.
78. The Society shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Part 7 of the Act.
79. The Society shall establish and maintain satisfactory systems of control of its books of account, its cash and all its receipts and payments.

### **Annual returns and balance sheets**

80. Every year, within the time specified by legislation, the Chief Executive shall send the Society's annual return to the Financial Conduct Authority. The return shall be up-to-date to the time specified in the Act, or such date allowed by the Financial Conduct Authority. The annual return shall be accompanied by the auditor's reports for the period of the return and the accounts and balance sheets to which it refers.

### **Registered office; name; registers**

81. The Society's registered office is Abbey House, 74-76 St John Street, London EC1M 4DZ

The Society's registered name must:

- 81.1 be placed prominently outside every office or place of business; and
  - 81.2 be engraved on its seal; and
  - 81.3 be stated on its business letters, notices, advertisements, official publications, cheques and invoices.
82. The Society must keep at its registered office:
    - 82.1 the register of members showing:
      - 82.1.1 the names and addresses of all the members; and
      - 82.1.2 a statement of all the shares held by each member and the amount paid for them; and
      - 82.1.3 a statement of other property in the Society held by the member; and
      - 82.1.4 the date that each member was entered in the register of members.

- 82.2 a duplicate register of members showing the names and addresses of members and the date they became members.
- 82.3 the names and addresses of the officers, their respective offices and the date they assumed office as well as a duplicate.
- 82.4 a register of holders of any loan.
- 82.5 a register of mortgages and charges on land.
- 82.6 a copy of the rules of the Society.
- 83. The Society must display a copy of its latest balance sheet and auditors report at its registered office.
- 84. The Society shall give to all members on request copies of its last annual return with the auditor's report on the accounts contained in the return, free of charge.

### **Statutory applications to the Financial Conduct Authority**

- 85. Ten members can apply to the Financial Conduct Authority to appoint an accountant to inspect the books of the Society, provided all ten have been members of the Society for a twelve month period immediately before their application.
- 86. Members may apply to the Financial Conduct Authority in order to get the affairs of the Society inspected or to call a special general meeting. At least one tenth of the members up to a maximum of one hundred must make that application.

### **Amendment of rules**

- 87. The Rules of the Society may be rescinded or amended by two thirds of the votes cast at a general meeting.
- 88. Amended rules shall be registered with the Financial Conduct Authority as soon as possible after the amendment has been made. A copy of the amended rules shall be issued to all members immediately after registration. An amended rule is not valid until it is registered.

### **Dissolution**

89. The Society may be dissolved by a three fourths majority of members who sign an instrument of dissolution in the form prescribed by Treasure Regulations; or by winding-up under the Act.
90. If on the winding-up or dissolution of the Society there remains, after the satisfaction of all its debts and liabilities, any Property whatever the same shall not be paid to or distributed among the members of the Society but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Society and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Society under or by virtue of rule 5 such institution or institutions to be determined by the members of the Society at or before the time of dissolution and, in so far as effect cannot be given to such provision, then to some other object.

## **Notices**

91. A notice may be given by the Society to any member either personally or by sending it by email or by post to him or to his registered postal or email address or (if he has not a registered address within the United Kingdom) to the address if any within the United Kingdom supplied by him to the Society for the giving of notice to him. Proof that an email was sent or an envelope containing a notice was properly addressed, prepared and posted shall be conclusive evidence that the notice was given. A notice shall unless the contrary is proved to be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.
92. Notice of every general meeting shall be given in any manner authorised by these Rules to:
  - 92.1 every member except those members who (having no registered address within the United Kingdom) have not supplied to the Society an address within the United Kingdom for the giving of notices to them;
  - 92.2 the auditor for the time being of the Society; and
  - 92.3 each Council member.No other person shall be entitled to receive notices of general meetings.
93. Any notice given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Council need not be.