

**PETERCHURCH WATER SUPPLY
SOCIETY LIMITED**

RULES

**Registered under the Industrial and Provident Societies
Act, 1965**

PETERCHURCH WATER SUPPLY SOCIETY LIMITED

Registered under the industrial and provident Societies Act, 1965

RULES

1. NAME

The name of the Society shall be "PETERCHURCH WATER SUPPLY SOCIETY LIMITED."

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

2. REGISTERED OFFICE

The registered office of the Society shall be at 2 Offa Street Hereford HR1 2LH. In the event of any change in the situation of the registered office, the Secretary shall send to the Registrar notice thereof within 14 days in the form prescribed by the Treasury Regulations.

3. OBJECTS

The objects of the Society shall be to provide the inhabitants of the Parish of Peterchurch in Herefordshire who are members of the Society a water supply from the springs in the vicinity of St. Peter's Well. Pursuant to this object the Society shall keep in good repair all pipes, taps and other works connected with the water supply with the exception of any taps, pipes and other works up to the curtilage of any building or other premises not occupied by the Society for the purposes of the water supply.

4. POWERS

The Society shall have the power to do all things necessary or expedient for the accomplishment of the objects specified in the rules, including (a) the power to hold, purchase or take on lease in its own name any land or building, and, in the case of land, to build upon such land and (b) the power to enter by its duly authorised agent or agents with or without workmen and others on any land or premises upon or under which any pipes or works connected with the water supply may be for the purpose of viewing the state and condition thereof and to repair and maintain such part thereof as it shall be liable to maintain hereunder and for such purposes to break up any ground through under or on which the pipes and other works may be laid or stand and to do all such other acts and things as may be necessary for such purpose.

5. MEMBERSHIP

The Members of the Society shall be the persons who have signed the application for registry of the Society and such other persons (including the nominees of unincorporated bodies) or incorporated bodies as the Committee of Management may from time to time admit as Members.

A person shall not be admitted as a Member unless application is made on a form obtained from the Secretary for one Share of the value of £1 and he is of the age of 18 years and is accepted as a Member by the Committee of Management.

Each of the persons who have signed the application for registration of the Society shall thereby be deemed to have applied for one share, and shall pay the amount due in respect thereof in accordance with the provisions contained in these rules as to payment for shares.

A Member shall cease to be a Member in the following eventualities:

- (i) the Member's death, or
- (ii) the expulsion of the Member, or
- (iii) the withdrawal of the Member from the Society, or
- (iv) the non-payment by the Member of his subscription for the period of two months after it has become due, or
- (v) the Member ceasing to own whether by freehold or leasehold any property to which the Society Supplies water, or
- (vi) in the case of the nominee of an unincorporated body, transfers his share to another nominee, or
- (vii) in the case of a body corporate, ceases to be a body corporate.

6. SUBSCRIPTIONS

Every member of the Society shall pay yearly such water rate as is agreed at the Annual General Meeting of the Society. Such rate shall be paid at such time or times as the Annual General Meeting of the Society shall determine.

7. SHARE CAPITAL

The share capital of the Society shall be raised by shares of the value of £1 each and shall be paid for in full on application.

Except as provided in this rule shares shall neither be transferable nor withdrawable. Every Member shall hold one share but in no case shall any Member hold more than one share.

Shares held by nominees of unincorporated bodies shall be transferable in such manner as the Committee may from time to time determine

Upon a Member ceasing from whatsoever cause to be a Member (including the Member's death his share shall be cancelled and the amount paid-up or credited thereon shall become the property of the Society and the Secretary shall make an appropriate entry relating to such cancellation in the Register.

The Society shall have a lien on the share of any Member for any debt due to it by the Member and may set off any sum credited to the Member thereon in or towards the payment of such debt.

8. BORROWING POWERS

The Society may obtain advances of money for the purposes of the Society from any person, whether a Member or not, upon such terms and conditions relating to repayment, rate of interest and other matters as the Committee of Management may determine and the repayment of such advances may be secured by mortgages or charges upon any of the Society's property: Provided that the total amount so obtained shall not at any time exceed the sum of £500,000 and provided that the rate of interest payable on any money borrowed (excluding money borrowed by way of bank overdraft or on mortgage of the Society's premises) shall not exceed 5% per annum or 1% per annum above the Bank of England's minimum lending rate. The Society shall not receive money on deposit.

9. MEETINGS

The Society shall hold a Meeting on or before the 30th day of April of each year which shall be called the Annual General Meeting. A special general meeting shall be held whenever the Committee of Management thinks expedient or whenever a written requisition for such a meeting signed by 6 Members is delivered to the Secretary, and should the Secretary fail to convene a special general meeting within one month after delivery to him of such requisition, the Members signing the requisition may convene such meeting by giving such notice as is mentioned in the following paragraph.

Seven day's notice in writing of every general meeting, stating the business to be transacted at such meeting, shall be sent to every member at his address entered in the Register and no other business than that stated in the notice shall be transacted at such meeting.

At all general meetings the Chairman, or if he is not present, the Vice-Chairman, or if neither is present such other Member as may be elected by the Members present shall preside and seven members shall form a quorum. Every Member present at the general meeting (unless disqualified as mentioned in these rules) shall have one vote, and when the votes cast in any matter are equal the then presiding officer shall have a casting vote in addition to his vote as a member.

A Member, being a body corporate, shall be deemed to be present at any general meeting if represented thereat by any officer or Member of such body corporate duly appointed for this purpose under its seal, and such Officer or Member may vote and otherwise act for the body corporate at a general meeting as if he were the holder of the share held by the body corporate.

10. OFFICERS

The Society shall have the following officers who shall form the Committee of Management: - Chairman, Vice-Chairman, Treasurer, Secretary and three Committee Members and such other persons not exceeding two in number as the Committee of Management may from time-to-time co-opt. The Officers of the Society, (other than the co-opted members referred to above) shall be elected from amongst the members of the Society by a majority of the members present and entitled to vote at the Annual General Meeting and shall continue in office until the Annual General Meeting next after their election, unless no valid election is then held, in which case the said officers shall continue in office until the Annual General Meeting at which a valid election is held.

Any officer may be removed from his office by resolution passed at a special general meeting of which due notice has been given specifying the intention to consider such resolution and the ensuing vacancy may be filled by a majority of the members present and entitled to vote at that meeting. If any officer

shall resign, die or be removed, or become unfit to act, the Committee may fill the Vacancy until the next annual general meeting, unless the vacancy has already been filled at a special general meeting. Every officer having receipt or charge of money shall before taking upon himself the execution of his office, become bound, either with or without a surety as the Committee may require, in a bond according to one of the forms set forth in the Schedule 4 to the Industrial and Provident Societies Act, 1965, or give the security of a Guarantee Society, in such sum as the Committee may direct, being not less than a sum sufficient to cover the maximum amount of cash which the officer is likely at any time to hold.

The officers shall receive such remuneration, if any, as may be decided from time to time at a general meeting.

TREASURER The Treasurer shall act under the superintendence, control and direction of the Committee of Management and without prejudice to the foregoing, shall in particular:

(1)

pay all demands when ordered to do so by the Committee of Management but not so as to pay any money without written authority signed by the Chairman or Secretary, or in the case of the incapacity of either such officers, by another officer or officers, as the case may be.

(2)

produce all books, documents, property and money of the Society in his possession and render a full and clear account at each audit, or whenever so required by a resolution of the Society or of the Committee of Management.

(3)

give up all books, documents, monies and property of the Society in his possession when required to do so by a resolution as aforesaid.

11. SECRETARY

The Secretary shall act under the superintendence, control and direction of the Committee of Management and, without prejudice to the foregoing, shall in particular:

(1) attend all meetings, record correctly the names of the officers and members there present, and take the minutes of the proceedings, which he shall transcribe into a book to be authenticated by the signature of the Chairman as the proceedings of the meeting.

(2) receive proposals for admission to the Society.

(3) hand over all moneys received by him to the Treasurer and produce all books, documents, property and money of the Society in his possession, and render a full and clear account at each audit and whenever so required by resolution of the Society or of the Committee of Management.

(4) pay over all moneys, and give up all books, documents and property belonging to the Society, when ordered to do so by a resolution thereof or of the Committee of Management.

(5) summon and give due notice of all meetings and keep the accounts, documents, and papers in such manner and for such purposes as the Committee of Management may appoint.

(6) prepare all returns and other documents required by the Industrial and Provident Societies Acts or the Treasury Regulations and duly forward them to the Registrar and maintain the Register.

12. COMMITTEE OF MANAGEMENT

The Committee of the Management shall meet from time to time on dates to be fixed by the Chairman. The Chairman or if he be not present, the Vice Chairman, or, if neither be present, any other member of the Committee, shall preside and all matters shall be decided by a majority of votes and, if the votes cast in any matter are equal, the then presiding officer shall have a casting vote in addition to his vote as a member of the Committee.

Four members of the Committee shall form a quorum. A special meeting of the Committee may be called by any three members of the Committee by giving seven clear days' notice in writing thereof to the Secretary and at such special meeting no other business than that specified in the notice shall be transacted.

13. POWERS OF COMMITTEE OF MANAGEMENT

The Committee of Management shall have full power to superintend and conduct the business of the Society according to the rules thereof and except as is otherwise provided in these rules, exercise - behalf of the Society for the purpose of accomplishing its objects the powers conferred upon the Society by these rules, or otherwise.

14. AUDIT

The Society shall in each year of account appoint a qualified auditor to audit its accounts and balance sheet for that year. For the purposes of this rule "qualified auditor" means a person who is a qualified auditor under section 7 of the Friendly and Industrial and Provident Societies Act 1968.

- Save as provided in paragraph (3) of this rule every appointment of an auditor shall be made by resolution of a general meeting of the Society.
- The first appointment of an auditor shall be made within three months of the registration of the Society and shall be made by the Committee if no general meeting of the Society is held within that time. The committee may appoint an auditor to fill any casual vacancy occurring between general meetings of the Society.
- An auditor appointed to audit the accounts and balance sheet of the Society for the preceding year of account (whether by a general meeting or by the committee) shall be re-appointed as auditor of the Society for the current year of account (whether or not any resolution expressly re-appointing him has been passed) unless

(a) a resolution has been passed at a general meeting of the Society appointing somebody instead of him or providing expressly that he shall not be re-appointed or

(b) he has given to the Society notice in writing of his unwillingness to be re-appointed or

(c) he is ineligible for appointment as auditor of the Society for the current year of accounts: or

(d) he has ceased to act as auditor of the Society by reason of incapacity

Provided that a retiring auditor shall not be automatically re-appointed by virtue of this rule if notice of an intended resolution to appoint another person in his place has been given in accordance with paragraph (5) of this rule and the resolution cannot be proceeded with because of the death, incapacity or ineligibility of that other person.

A resolution at a general meeting of the Society (i) appointing another person as auditor in place of a retiring auditor or (ii) providing expressly that the retiring auditor shall not be re-appointed shall not be effective unless notice of the intention to move it has been given to the Society not less than 28 days before the meeting at which it is moved. On receipt by the Society of notice of the intention to move any such resolution the Society shall give notice of the resolution to the members and to the retiring auditor in accordance with section 6 of the Friendly and industrial and Provident Societies Act 1968 and shall give notice to the members in accordance with that section of any representations made or intended to be made by the retiring auditor.

(6) None of the following persons shall be appointed as auditor of the Society.

(a) an officer or servant of the Society

(b) a person who is a partner of or in the employment of or who employs an officer or servant of the Society or

(c) a body corporate.

(7) The auditor shall in accordance with section 9 of the Friendly and industrial and Provident Societies Act 1968, make a report to the Society on the accounts examined by him and on the revenue account or accounts and the balance sheet of the Society for the year of account in respect of which he is appointed.

(8) The auditor shall have a right of access at all times to the books, deeds and accounts of the Society and to all other documents relating to its affairs, and shall be entitled to require from the officers of the Society such information and explanations as he thinks necessary for the performance of the duties of the auditors.

15. BALANCE SHEET

The Society shall not publish any Balance Sheet which has not previously been audited by the Auditor and any copy of a balance sheet published shall incorporate any report made thereon by the Auditor. A copy of each Balance Sheet made during the period included in any annual return shall be sent by the Secretary to the Registrar together with the said annual return and each copy shall incorporate the report made thereon by the Auditor.

The Committee of Management shall lay before the annual meeting the accounts and annual return as audited together with the report made thereon by the Auditor.

The Society shall keep a copy of the last balance sheet for the time being, together with the report of the Auditor, always hung up in a conspicuous place at its registered office.

16. ANNUAL RETURN

Every year not later than the 31st of March the Secretary shall send to the Registrar the annual return in the form prescribed by the Chief Registrar of Friendly Societies relating to its affairs for the period required by the Act to be included in the return together with

(a) a copy of the report of the auditor on the Society's accounts

for the period included in the return, and

(b) a copy of each balance sheet made during that period and of any report of the auditor on that balance sheet.

A copy of the last annual return for the time being of the Society together with the report of the auditor on the accounts and balance sheet contained in the return shall be supplied gratuitously by the Secretary to every member or person interested in the funds of the Society on his application and the Committee of Management shall provide the Secretary with sufficient copies of the said annual return and report for this purpose.

17. REGISTER OF MEMBERS

The Society shall keep at its registered office a register of members (in these rules referred to as "the Register") in which the Secretary shall enter the following particulars:

(a) the names and addresses of the members.

(b) a statement of the number of shares held by each member and of the amount paid or agreed to be considered as paid on the share of each member.

(c) a statement of other property in the Society held by each member.

(d) the date at which such person was entered in the register as a member, and the date at which any person ceased to be a member.

(e) the names and addresses of the officers of the Society, with the offices held by them respectively, and the dates on which they assumed office.

The Society shall so construct the Register that it is possible to open to inspection the particulars entered therein mentioned in paragraphs (a), (d) and (e) hereof without so opening to inspection the other particulars entered therein.

Every member at the time of his becoming a member shall notify the Secretary in writing of his address and subsequently of any change therein.

18. INSPECTION OF BOOKS

Any member or person having an interest in the funds of the Society shall be allowed to inspect his own account and the books containing the names of the Members (including the particulars in the Register except those mentioned in paragraphs (b) and (c) of the preceding rule) at all reasonable hours at the registered office of the Society or at any place where they are kept, subject to such regulations as to

the time or manner of such inspection as may be made from time to time by a general meeting of the Society.

19. COPIES OF RULES

A copy of the rules of the Society shall be delivered by the Secretary to every person on demand subject to a charge to be fixed by the Committee of Management not exceeding 10p. The Committee of Management shall provide the Secretary with sufficient copies of the said rules for this purpose.

20. INVESTMENT

Any money not wanted for immediate use, or to meet the usual accruing liabilities, shall, with the consent of the Committee, or of a majority of the members present and entitled to vote in general meeting, be invested in or upon any of the securities or shares specified in section 31 of the industrial and provident Societies Act, 1965.

21. APPLICATION OF PROFITS

The net profits of the Society shall be applied on the authority of the Committee of Management in furthering the interests of the Society.

22. WITHDRAWAL OF MEMBERS

A member may withdraw from the Society by notice in writing signed by him and delivered or sent to the Secretary at the Registered Office and upon such withdrawal the member's share shall be canceled.

The Secretary shall make appropriate entries in the Register relating to the cancellation of any share under this rule.

23. EXPULSION OF MEMBER

A member, who in the opinion of the Committee of Management is guilty of any conduct detrimental to the interests of the Society, may be expelled from the Society by a resolution passed at a general meeting of which due notice has been given specifying the intention to consider such resolution. No member shall be expelled from the Society unless a notice specifying the conduct of which he is alleged to be guilty is sent to him at his address entered in the Register not less than 14 days before the date of the meeting at which the resolution to expel him is considered and he is given an opportunity to explain his conduct at that meeting.

24. NOMINATIONS AND PROCEEDINGS ON DEATH OR BANKRUPTCY

Upon a claim being made by the personal representative of a deceased member or the trustee in bankruptcy of a bankrupt member to any property in the Society belonging to the deceased or bankrupt member the Committee shall transfer or pay such property to which the personal representative or trustee in bankruptcy has become entitled as the personal representative or bankruptcy may direct them.

A member may in accordance with the Industrial and Provident Societies Act nominate any person or persons to whom (subject to the provisions of the Act as to amount and the persons to whom a valid nomination may be made) any of his property in the Society at the time of his death shall be

transferred. On receiving satisfactory proof of death of a member who has made a nomination the Committee shall if and to the extent that the nomination is valid under the said Act either transfer or pay in accordance with the Act the full value of the property comprised in the nomination to the person entitled thereunder.

25. STATUTORY APPLICATIONS TO THE REGISTRAR

Any ten members of the Society, each of whom has been a member of the Society for not less than twelve months immediately preceding the date of the application, may apply to the Registrar to appoint an accountant or actuary to inspect the books of the Society and to report thereon, pursuant to section 47 of the industrial and Provident Societies Act, 1965.

One tenth of the whole of the number of members or if the number of members shall at any time exceed 1,000, 100 members may apply to the Chief Registrar, for: -

(a) the appointment of an inspector or inspectors to examine into the affairs of the Society and to report thereon.

(b) the calling of a special meeting of the Society

Applications shall be made in the forms prescribed by the Treasury Regulations and shall be signed by all the applicants.

26. DISPUTES

If any dispute shall arise between a member or any person aggrieved who has for not more than six months ceased to be a member, or any person claiming through such a member or person aggrieved or under the Rules, and the Society, or an officer thereof, it shall be decided by reference to arbitration.

Five Arbitrators shall be elected by the Society none of them being directly or indirectly interested in the funds of the Society; and in each case of dispute the names of three of these arbitrators to decide the matter in dispute shall be selected as follows:

One by the Committee.

One by the person aggrieved; and

One by mutual agreement of the Committee and the person aggrieved.

27. SEAL

The Society shall have its name engraven in legible characters on a seal which shall be kept in the custody of the Secretary and shall be used only under the authority of a resolution of the Committee of Management and the date of such authority shall be mentioned on the instrument to which the seal is attached and shall be attested by the signatures of two members of the Committee and the Secretary.

28. DISSOLUTION

The Society may at any time be dissolved by the consent of three-fourths of the members, testified by their signatures to an instrument of dissolution in the form prescribed by the Treasury Regulations or by winding-up in manner provided by the Industrial and Provident Societies Act 1965.

29. AMENDMENT OF RULES

No new rule shall be made, nor shall any of the rules herein contained, or hereafter to be made, be amended or rescinded, unless with the consent of a majority of the members present and entitled to vote at a general meeting of which notice has been given in accordance with these rules specifying the intention to propose such new rule, amendment or rescission.

No new rule, or amendment or rescission of rules is valid until registered.

30. BYE-LAWS

The Committee shall have the power to make Byelaws for the good conduct, safety and convenience of all persons on the Society's premises provided that no such bye-laws shall conflict with any of these rules

31. HOURS OF OPENING AND CLOSING OF THE SOCIETY'S PREMISES

The Society's premises shall be opened and closed at such hours as may from time to time be fixed by the committee, and as posted in the registered office.

32. INTERPRETATION

in these rules, including this rule unless the subject matter or context are inconsistent therewith:

- (a) words importing the singular or plural shall include the plural and singular respectively.
- (b) words importing the masculine gender shall include females
- (c) "person" shall mean an individual or a body corporate.