



LIVERPOOL SUPPORTERS UNION LIMITED (LSU)

(Registration under the Industrial and Provident Societies Acts 1965-1978)

1. NAME

1. The name of the Society (referred to in these Rules as "the Union") shall be:

LIVERPOOL SUPPORTERS UNION LIMITED (LSU)

2. OBJECTS

2. The objects of the Union shall be:

To carry on the business as a bona fide co-operative and any other trade, business or service, as principals or agents, which may appear to the Union as being generally conducive to its interests. In particular, but not exclusively limited to, the following objects:

CONSTANT OBJECTS

- To represent the best interests of our members and by extension the best interests of the supporters of Liverpool Football Club on both the local and international level.
- To hold whomever owns the football club to account.

SHORT-TERM OBJECTS

- To institute a functioning structure for the Liverpool Supporters Union (LSU).
- To create long lasting relationships with all aspects of Liverpool FC's supporting community.
- To improve the quality of service for Liverpool FC's supporters.
- To improve the standard and value of travel arrangements for Liverpool FC's supporters.

MEDIUM-TERM OBJECTS

- To work with any relevant agencies to improve the area of Anfield.
- To build links with grassroots supporter groups both home and abroad.

LONG-TERM OBJECT

- To bring about supporter representation at boardroom level.

ULTIMATE OBJECT

- Supporter ownership of Liverpool Football Club

In carrying out the above objects the Union shall have regard to promoting the physical, emotional, mental and spiritual wellbeing of the community and that of its members, and shall support, foster and promote the principles of common ownership and co-operation in its own affairs and in society generally.

3. POWERS

3. The Union shall have power to do all things necessary or expedient for the fulfilment of its objects provided that, in carrying out its objects, the Union shall promote equality of opportunity for all sections of the community in its own affairs and in society generally.

4. REGISTERED OFFICE

4. The Registered Office of the Union shall be at: **98 Great Homer Street, Liverpool, L5 3LF.**

5. MEMBERSHIP

5.1 The first members of the Union shall be the signatories to the application for registration (the “Founder members”). The Committee may at its discretion admit to membership any person, or corporate body or the nominee of any unincorporated organisation, who supports the objects of the Union and who has paid or agreed to pay the appropriate annual subscription for the time being in force.

5.2 Membership will not be limited on the grounds of race, creed, religion, disability of any type, sex or sexual orientation.

5.3 Any member who supplies an email address upon either becoming a member or renewing an existing membership consents to all correspondence relating to the membership, announcements of Union events, news or press releases, notices of annual, special or any other meetings or elections being sent to that address.

5.4 The member will inform the Union of any change of email address by notification to membership@spiritofshankly.com

5.5 All members must supply either a valid email or postal address for service of correspondence relating to the membership, announcements of Union events, news or press releases, notices of annual, special or any other meetings or elections (subject to the Union observing the data protection provisions of Rule 5.6).

5.6 The Union shall keep at its registered office a register of members in which the Secretary or the Union’s appointed administrators shall enter the following particulars:

- (a) the name , address and contact details of every member;
- (b) the date on which each member’s name was entered in the register as a member and the date on the which any member ceased to be a member;
- (c) the names and addresses of the Committee members and the officers of the Union, of the offices held by them respectively, and the dates on which they assumed and vacated office.

All information held on members shall be subject to and fully compliant with the provisions of the Data Protection Act 1998.

5.7 Applications for membership shall be in such form as the Union may from time to time direct.

5.8 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 on demand and on payment of the statutory fee chargeable for the time being in force.

5.9 The Union allows locally based Union Members to form branches that will be recognised by the main Union subject to the following rules:

NAME

5.10 The name of the Society (referred to in these Rules as "the Branch") shall be:
LIVERPOOL SUPPORTERS' UNION LIMITED (LSU) – “[INSERT NAME] BRANCH”

OBJECTS

5.11 The objects of the Branch shall be:

CONSTANT OBJECTS

5.11.1 To represent the best interests of branch members, other LSU members and by extension the best interests of the supporters of Liverpool Football Club on both the local and international level.

5.11.2 To hold whomever owns the football club to account.

SHORT-TERM OBJECTS

5.11.3 To institute a functioning branch structure for the Liverpool Supporters Union (LSU);

5.11.4 To create long lasting relationships with all other branches of the LSU and all aspects of Liverpool FC's supporting community.

5.11.5 To improve the quality of service for branch members;

5.11.6 To improve the standard and value of travel arrangements for Liverpool FC's supporters.

MEDIUM-TERM OBJECTS

5.11.7 To support the work of the LSU in relation to the improvement of the Anfield area.

5.11.8 To support the work of the LSU in relation to building links with grassroots supporter groups both home and abroad.

LONG-TERM OBJECT

5.11.9 To support the work of the LSU in relation to bringing about supporter representation at boardroom level.

ULTIMATE OBJECT

5.11.10 To support the work of the LSU in relation to supporter ownership of Liverpool Football Club

MEMBERSHIP

5.12 The first members of the Branch shall be the signatories to the application for acceptance as a Branch with the Management Committee of the LSU.

5.13 In order to obtain acceptance as a Branch the following conditions need to be met:

5.13.1 The Branch will have at least 25 members who have subscribed to that Branch in the form set out by the LSU Management Committee

5.13.2 All members of the Branch will be current paid up members of the LSU;

- 5.13.3 The Branch will have a Management Committee of at least a Chairman, Secretary and Treasurer appointed as per paragraph 4.4 below;
 - 5.13.4 Any member of a Branch can only be a member of one affiliated LSU Branch;
 - 5.13.5 The Branch must keep a register of subscribed Branch members and submit a copy of the same to the Secretary of the LSU at least 56 days prior to the LSU AGM;
 - 5.13.6 Any new subscribing Branch member must be notified to the Secretary of the LSU within 28 days of subscription failing which they will not be accounted for in relation to a calculation of that Branches' membership numbers;
 - 5.13.7 The Branch will nominate one member to communicate, attend and where appropriate vote on any LSU business. Such nomination will be by way of a vote of members of the Branch as detailed in paragraph 10.1;
 - 5.13.8 Observe the rules, aims and objectives of the LSU Constitution;
 - 5.13.9 No Branch may contain more than 250 members;
 - 5.13.10 Membership will not be limited on the grounds of race, creed, religion, disability of any type, sex or sexual orientation
- 5.14 A member of a Branch shall cease to be a member if he or she:
- (a) resigns in writing to the Secretary of the LSU;
 - (b) fails to pay any subscription due in respect of membership within three months of its falling due;
 - (c) is expelled from the membership in accordance with Rule 14 of the LSU Constitution;
 - (d) being an individual, dies;
 - (e) is expelled from membership of the Branch

COMMITTEE OF MANAGEMENT

- 5.15 The Branch shall have a Committee of not more than five and not less than three members. Only eligible members of the Union and Branch may serve on the Committee. "Eligible members" are defined in Rule 35 of the LSU Constitution;
- 5.16 The Branch Committee shall be elected at or by ballot no later than 28 days before the Annual General Meeting of the LSU.
- 5.17 The Branch Committee shall serve for a period of one year before fresh elections are held. The annual election shall take place no more than 56 days and no less than 28 days before the LSU AGM. Retiring members shall be eligible for re-election.
- 5.18 Procedures for nominating and electing Committee members and the positions of Chair, Secretary and Treasurer shall be established by the Branch and may be amended by the Branch Committee, provided that all eligible members of the Branch are entitled to stand for election and all eligible members are entitled to vote and the procedure for any election has been approved by the Management Committee of the LSU.
- 5.19 The Branch Committee may co-opt any eligible member of the Union to fill a casual vacancy within their body. A person so co-opted shall for all purposes be treated as a duly elected member of the Committee and shall serve until the next annual election following their co-option. A casual vacancy shall be deemed to exist if the number of Committee members should drop below the minimum prescribed in these Rules.
- 5.20 In the event that the size of the Committee should drop below the minimum number of members prescribed in these Rules, the members of the Branch Committee may act to increase their number or to call a General Meeting of the Union, but for no other purpose but in any event must inform the Secretary of the LSU.
- 5.21 A Branch Committee member shall declare an interest in any contract or matter in which s/he has a personal material or financial interest, whether directly or indirectly, and shall not vote in respect

of such contract or matter unless the nature of the interest is one shared with a majority of the other members of the Committee.

- 5.22 The office of Committee member shall be immediately vacated if s/he:
- (a) resigns their office in writing to the Branch; or
 - (b) ceases to be a member of the Union for any reason whatsoever; or
 - (c) is removed from office by a majority vote of the Union in General Meeting, the notices for which specified that the question of the Committee member's removal was to be considered; or
 - (d) in the opinion of a majority of the Committee, fails to declare her/his interest in any contract as referred to in Rule 41; or
 - (e) is absent from three successive meetings of the Committee during a continuous period of twelve months without special leave of absence from the Committee and they decide that s/he has by reason of such absence vacated office; or
 - (f) becomes bankrupt or, in the opinion of a majority of the Committee, incapable on medical or psychological grounds of carrying out the functions of a Committee member.

POWERS AND DUTIES OF THE COMMITTEE

- 5.23 The business of the Branch shall be managed by the Management Committee who may pay all expenses of the formation of the Branch as they think fit and may exercise all such powers of the Branch as may be exercised and done by the Branch 46. No regulation made by the Union in General Meeting shall invalidate any prior act of the Committee which would have been valid had that regulation not been made.
- 5.24 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Branch shall be signed, drawn, accepted, endorsed, or otherwise executed in such manner as the Branch Committee or Treasurer of the Union shall from time to time direct.

PROCEEDINGS AT COMMITTEE MEETINGS

- 5.25 The Branch Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The Branch Secretary shall at the request of two or more Branch Committee members or by resolution of the LSU Management Committee summon a meeting of the Branch Committee at any reasonable time by giving all Branch Committee members reasonable notice of the date, time and venue for the meeting and the general nature of the business to be considered.
- 5.26 The quorum necessary for the transaction of business at a Committee meeting shall be one half of the members of the Committee.
- 5.27 At every Branch Committee meeting the Branch Committee members present shall elect one of their number to be Chair of the meeting whose function shall be to conduct the business of the meeting in an orderly manner.
- 5.29 The Branch Committee shall cause proper minutes to be made of all the proceedings of the Branch, of the Branch Committee and of any sub-committees. All such minutes shall be open to inspection by any member of the Branch and will be sent to the Secretary of the LSU within 28 days of any meeting.
- 5.30 Questions arising at Branch Committee meetings shall be decided by a majority of votes of those present. In the event of a tied vote the Chairperson shall not have a second or casting vote and the resolution shall be deemed to be lost.

AUDITORS

- 5.31 Where the income of the Branch exceeds £1000 (sterling or its equivalent in local currency) the Branch shall appoint a suitably qualified auditor to audit the Branch's accounts and balance sheet. Such audit to be completed and submitted to the Treasurer of the LSU no later than 56 days prior to the LSU AGM such report to cover the preceding twelve month period.

- 5.32 None of the following persons shall be appointed as auditor of the Branch:
- (a) _ an officer or employee of the Union ;
 - (b) _ a person who is a partner or employee of or who employs an officer of the Union
- 5.33 The first appointment of an auditor shall be made within three months of the acceptance of the Branch as a duly recognized Branch by the Management Committee of the LSU and shall be made by the Branch Committee if no General Meeting is held within that time.
- 5.34 The Branch Committee may appoint an auditor to fill a casual vacancy occurring between General Meetings. Except as specified in these cases, every appointment of an auditor shall be made by a resolution of a General Meeting of the Branch.
- 5.35 An auditor for the preceding financial year shall be re-appointed as auditor of the Branch for the current financial year unless:
- (a) a resolution has been passed at a General Meeting appointing someone else as auditor or providing expressly that s/he shall not be re-appointed; or
 - (b) s/he has given notice in writing to the Union of her/his unwillingness to be re-appointed; or
 - (c) s/he is ineligible for appointment as auditor of the Union for the current financial year;
- or
- (d) s/he has ceased to act as auditor of the Union by reason of incapacity.
- 5.36 Any resolution of a General Meeting of the Branch 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 the Branch members at least twenty-eight days prior to the meeting at which the resolution is to be considered. At least fourteen days' notice of such resolution must then be given to the Treasurer of the LSU and in writing to the auditors.

DISSOLUTION

- 5.37 The Branch may be dissolved by the consent of three quarters of the members by their signatures to an instrument of dissolution. If on the winding up or dissolution of the Branch 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 instead to the LSU and become the LSU's sole property.

DISPUTES

- 5.38 Where there is any dispute over the management of the Branch then the Constitution of the LSU will have precedence over any established branch rules.
- 5.39 In the event of a dispute between the Branch Committee and a member then such dispute shall be referred to the LSU Management Committee for decision and such a decision shall be binding.
- 5.40 In the event of a dispute between the Branch and the LSU then such dispute shall be referred to an Arbitrator to be agreed between the parties.

BRANCH REPRESENTATION

- 5.41 The Branch shall, no later than 28 days prior to the AGM of the LSU, elect a Branch Representative to attend the AGM to represent, contribute and vote on the resolutions and debates at the AGM.
- 5.42 The Branch Representative will be mandated to vote on the resolutions before the AGM and the Branch shall mandate in any way it sees fit for the Branch Representative to vote and be heard on resolutions placed before the AGM where notice has not previously been given to the Branch.
- 5.43 The Branch shall submit a form to the Secretary of the LSU no later than 28 days prior to the AGM of the LSU detailing the number of members of the Branch. The Secretary will check that all Branch members are eligible members and will certify the number of eligible members represented by the Branch Representative at the AGM.
- 5.44 Where a vote is called for at the AGM the vote of the Branch Representative will be counted as the number of eligible members of the Branch.
- 5.45 The Branch Representative will, as soon as practicable, supply a report to the Branch members of the AGM such report to include the resolutions voted upon and the way in which the Branch's votes were cast.

6. SHARES

- 6.1 No member may hold more than one share in the Union, either individually jointly or on behalf of a group of people. Shares in the Union are not transferable.
- 6.2 The shares in the Union have a nominal value of £10 each and may not be transferred. All shares will be fully paid and no share capital may be withdrawn.
- 6.3 If a member ceases to be a member, the share registered in that member's name is to be cancelled and the amount subscribed for the share is to become the property of the Union.
- 6.4 Shares do not carry any right to bonus, dividend or interest.

7. CESSATION OF MEMBERSHIP

- 7.1 A member shall cease to be a member if s/he or it:
- (a) resigns in writing to the Secretary or the Union's appointed administrators; or
 - (b) fails to pay any subscription due in respect of membership within three months of its falling due; or
 - (c) is expelled from the membership in accordance with Rule 14; or
 - (d) is the nominee of an unincorporated organisation and that organisation replaces him/her as its nominee or is wound up; or
 - (e) being an individual, dies; or
 - (f) being a corporate body, is wound up or goes into liquidation.
- 7.2 In the event of an individual who is the nominee of an unincorporated organisation ceasing to be a member under clauses (a), (c) or (e) of this Rule, the nominating organisation may with the express consent of the Committee nominate another individual to membership in his/her place.
- 7.3 If complaint is made to the Management Committee of any behaviour, action, conduct or communication (to include written or electronic) by a Member then this will be investigated in the

first instance by three members of the Management Committee who are NOT members of the Executive Committee. This group will be called the “Investigatory Committee”

- 7.4 The Investigatory Committee will gather evidence in relation to the complaint and if they deem there is sufficient evidence of any behaviour, action, conduct or communication prejudicial to the Union by a Member AND requiring some form of disciplinary action then they shall refer their investigation of the matter to the Executive Committee who will act as the “Disciplinary Committee”. The Disciplinary Committee will be quorate with no less than three members.
- 7.5 The investigation by the Investigation Committee should be completed within 42 days from the date of the complaint (but failure to do so for good reason will not be fatal to this procedure).
- 7.6 Once the matter has been referred to the Disciplinary Committee they will give written notice to the Member against whom the complaint has been made of the allegations made against the member and the date of a meeting to be convened no less than 14 days from the referral and no later than 28 days from the referral. This meeting is to be called “the Disciplinary Hearing”.
- 7.7 At the Disciplinary Hearing the member will be entitled to be represented or assisted by one individual and the following will take place:
(i) the Disciplinary Committee will put the allegations to the member;
(ii) the Disciplinary Committee will be entitled to ask questions of the member and any witnesses attending at the request of either the Disciplinary Committee or the member;
(iii) the Member will be entitled to ask questions of any witnesses attending at the request of either the Disciplinary Committee or the member.
- 7.8 If necessary the Disciplinary Committee has the power to adjourn and reconvene no later than 21 days from the date of the Disciplinary Hearing or any adjourned Disciplinary Hearing.
- 7.9 The Disciplinary Committee will have the power to make a finding in relation to the allegations against the Member. The findings should be given at the end of the Disciplinary Hearing or within seven days of completion of the disciplinary process and extend to the following:
(i) that the allegations are not proven with no further action required;
(ii) that the allegations are not proven with a note of advice to be issued to the Member by the Disciplinary Committee;
(iii) that the allegations are proven in full or part and a sanction from the following should be applied to the Member:
- a verbal reprimand to be given by the Disciplinary Committee;
- a written reprimand to be given by the Disciplinary Committee;
- a suspension of Membership for a period not exceeding six months;
- a suspension of Membership for a period not exceeding twelve months;
- expulsion of the Member from the Union
- 7.10 The Member has the right of appeal against a decision of the Disciplinary Committee to “the Appeal Committee”. Any appeal must be made within seven days of notification of any finding and sanction imposed by the Disciplinary Committee. The appeal may be against either finding or sanction, or both.
- 7.11 The Appeal Committee will comprise three members of the Management Committee who have not previously been members of either the Investigation Committee or the Disciplinary Committee. If it is impracticable to co-opt three members of the Management Committee then the Chair of the Union will co-opt sufficient members of the Union to comprise the Appeal Committee subject where possible for at least one member of the Appeal Committee being a member of the Management Committee.

- 7.12 The Appeal Committee shall have access to all documents, notes and communications created by the Investigation and Disciplinary Committees and will call any further meeting to hear the Member's appeal within 14 days of the appeal by the Member.
- 7.13 At the appeal hearing the Member will be entitled to be represented or assisted by one individual and the following will take place:
(i) the Appeal Committee will be entitled to ask questions of the Member and any witnesses attending at the request of either the Disciplinary Committee or the Member;
(ii) the Member will be entitled to ask questions of any witnesses attending at the request of either the Disciplinary Committee or the Member.
- 7.14 The Appeal Committee will have the power to make a final decision in relation to the original findings and sanction against the Member. The final decision should be given at the end of the Appeal Hearing or within seven days of the Appeal Hearing and extend to the following:
(i) to confirm the original findings of the Disciplinary Hearing and to withdraw, reduce, confirm or increase the sanctions imposed;
(ii) to substitute their own findings and to withdraw, reduce, confirm or increase the sanctions imposed.
- 7.15 There shall be no further right of appeal by the Member from a decision of the Appeal Committee.
- 7.16 A Member may be expelled for conduct prejudicial to the Union by a resolution carried by a majority of at least two-thirds of those members voting at a General Meeting of the Union of which due notice has been given, provided the grounds for expulsion have been specified in the notices calling the meeting and that the member whose expulsion is to be considered shall be given the opportunity to state his/her case to the meeting. If on due notice having been served the member fails to attend the meeting may proceed in the member's absence.
- 7.17 No member expelled from membership shall be re-admitted except by a resolution carried by a majority of at least two-thirds of those members voting at a General Meeting of which due notice has been given. Any member expelled automatically forfeits any membership fee and/or annual subscription paid.

8. GENERAL MEETINGS

- 8.1 An Annual General Meeting shall be held between 15th February and 15th March each year, the business of which shall comprise:
- (a) The receipt of the accounts and balance sheet and of the reports of the Committee and auditor (if any)
 - (b) The appointment of an auditor (subject to Rule 62);
 - (c) The election of Committee members or the results of the election if held previously by ballot (subject to Rule 36);
 - (d) The transaction of any other business included in the notice convening the meeting.
- 8.2 All other General Meetings shall be called Special General Meetings.
- 8.3 A Special General Meeting shall be convened either upon an order of the Committee or at the request of three members of the Union or ten per cent of the membership, whichever is the greater.

- 8.4 A General Meeting shall be convened by at least fourteen days' notice unless all members of the Union agree to hold a General Meeting with shorter notice. Notices of meetings shall either be given to members personally or posted to them at their registered email address or alternatively, if so agreed by the Union in General Meeting, notices of General Meetings may be displayed conspicuously at the registered office and in all other places of business of the Union to which members have access. Notices shall specify the time, date 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.
- 8.5 A notice sent by email to a member's registered address shall be deemed to have been duly served forty-eight hours after its sending. The accidental omission to send any notice to or the non-receipt of any notice by any member shall not invalidate the proceedings at the meeting.
- 8.6 If the Union has appointed an auditor in accordance with Rule 58 they shall be entitled to attend General Meetings of the Union and to receive all notices of and communications relating to any General Meeting which any member of the Union 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.

9. PROCEEDINGS AT GENERAL MEETINGS

- 9.1 A corporate body which is a member of the Union shall appoint a deputy who shall during the continuance of her/his appointment be entitled to exercise in any General Meeting of the Union all such rights and powers as the member organisation would exercise if it were an individual person. The Union shall require such notification of an organisation's appointed deputy as the Committee may from time to time decide.
- 9.2 No person shall be entitled to vote on any question at a General Meeting other than an individual member of the Union or the duly appointed deputy of a corporate body which is a member.
- 9.3 Every member shall hold one vote only on each question to be decided; except where otherwise specified by the Rules or by the Act, questions shall be resolved by a simple majority of votes cast.
- 9.4 No business shall be transacted at a General Meeting unless a quorum is present in person. Unless and until otherwise decided by the Union in General Meeting, a quorum shall be one third or more of the members of the Union.
- 9.5 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned until the same day in the next week at the same time and same place or otherwise as the Committee may direct, and all members shall be given such notice of the adjourned meeting as is practicable. The members present at a meeting so adjourned shall constitute a quorum.
- 9.6 The members present at a General Meeting shall choose one of their number to be Chairperson of that meeting, whose function shall be to conduct the business of the meeting in an orderly manner.
- 9.7 The Chairperson 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 an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for twenty-one days or more, notice of the adjourned meeting shall be given as in the case of the original meeting; otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

- 9.8 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a secret ballot is, before or on the declaration of the result of the show of hands, demanded by at least three members present. Unless a secret ballot be so demanded, a declaration by the Chairperson that a resolution has on a show of hands been carried or lost with an entry to that effect in the book containing the minutes of the proceedings of the Union shall be conclusive evidence of the fact without proof of the number or proportions of the votes recorded in favour or against such resolution.
- 9.9 If a secret ballot is duly demanded it shall be taken in such a manner as the Chairperson directs, provided that no member shall have more than one vote, and the result of the ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded.
- 9.10 The demand for a secret ballot shall not prevent the continuance of a meeting for the transaction of any other business than the question upon which a ballot has been demanded. The demand for a secret ballot may be withdrawn.
- 9.11 In the case of an equality of votes, whether on a show of hands or on a ballot, the Chairperson shall not have a second or casting vote and the resolution shall be deemed to be lost.
- 9.12 The Union may invite other persons who are not members to attend General Meetings, with or without speaking rights and without voting rights.

10. AMENDMENTS TO RULES

10. Any of these rules may be rescinded or amended or a new rule made by a vote of three quarters of members of the Union voting at a General Meeting of which fourteen clear days' prior notice has been given, such notice to include details of the change(s) to be proposed at that meeting. No amendment of rules is valid until registered by the Financial Services Authority.

11. COMMITTEE OF MANAGEMENT

- 11.1 The Union shall have a Committee of not more than fifteen and not less than three members. Only eligible members of the Union may serve on the Committee. By "eligible members" are meant members (and the deputies of corporate bodies which are members) aged eighteen years or over and who are not bankrupt or otherwise prohibited by law from acting as the director of a company or society.
- 11.2 For so long as the Union has less than fifteen eligible members, the Union in General Meeting may decide that all such eligible members shall be members of the Committee until the number of such members exceeds fifteen (or until such earlier time if the Union should so decide), when the Union shall commence electing Committee members. During a period when all eligible members of the Union are also members of the Committee, Rules 16(c), 37, 38 and 39 shall not apply.
- 11.3 New Committee members shall be elected at or by ballot prior to the Annual General

Meeting. Procedures for nominating and electing Committee members shall be established and may be amended by the Committee, provided that all eligible members are entitled to stand for election and all members are entitled to vote.

- 11.4 A Committee member shall, subject to Rule 43 below, hold office until the end of the next Annual General Meeting following her/his election. Retiring members shall be eligible for re-election at the Annual General Meeting at which they retire.
- 11.5 The Committee may co-opt any eligible member of the Union to fill a casual vacancy within their body. A person so co-opted shall for all purposes be treated as a duly elected member of the Committee and shall serve until the end of the next Annual General Meeting following their co-option. A casual vacancy shall be deemed to exist if the number of Committee members should drop below the minimum prescribed in these Rules or below the number elected at the preceding Annual General Meeting.
- 11.6 In the event that the size of the Committee should drop below the minimum number of members prescribed in these Rules, the members of the Committee may act to increase their number or to call a General Meeting of the Union, but for no other purpose.
- 11.7 A Committee member shall declare an interest in any contract or matter in which s/he has a personal material or financial interest, whether directly or indirectly, and shall not vote in respect of such contract or matter unless the nature of the interest is one shared with a majority of the other members of the Committee.
- 11.8 Any remuneration of Committee members shall only be in respect of services actually rendered to the Union. Committee members may also be paid all reasonable expenses incurred by them in connection with the business of the Union.
- 11.9 The office of Committee member shall be immediately vacated if s/he:
 - (a) resigns her/his office in writing to the Union; or
 - (b) ceases to be a member of the Union for any reason whatsoever (or is the deputy of a corporate body which ceases to be a member); or
 - (c) is removed from office by a majority vote of the Union in General Meeting, the notices for which specified that the question of the Committee member's removal was to be considered; or
 - (d) in the opinion of a majority of the Committee, fails to declare her/his interest in any contract as referred to in Rule 41; or
 - (e) is absent from three successive meetings of the Committee during a continuous period of twelve months without special leave of absence from the Committee and they decide that s/he has by reason of such absence vacated office; or
 - (f) becomes bankrupt or, in the opinion of a majority of the Committee, incapable on medical or psychological grounds of carrying out the functions of a Committee member.
- 11.9a The Committee will co-opt two additional members nominated by the Board of Share LiverpoolFC. These members will be full members of the Management Committee and will sit in addition to the number and members listed in 11.1 above and will be deemed "eligible members" by their nomination by the Board of Share LiverpoolFC
- 11.9b The provisions within 11.9a above need to receive annual approval by the Union at its Annual General Meeting.

12. OFFICERS

- 12.1 An Executive Committee shall be formed comprising the Chair, Vice Chair, Secretary and Treasurer. The Executive Committee shall have such duties and rights as may be agreed and delegated by the Management Committee
- 12.2 The Union shall be at liberty to appoint Vice Presidents who shall have the following rights:
- 12.2.1 To receive copies of any agenda or minutes of any monthly or other meeting of the Management Committee;
 - 12.2.2 To attend and be heard, but not be counted for the purposes of any vote, at any Management Committee Meeting;
 - 12.2.3 To stand for election for any office of the Union;

13. POWERS AND DUTIES OF THE COMMITTEE

- 13.1 The business of the Union shall be managed by the Committee who may pay all expenses of the formation of the Union as they think fit and may exercise all such powers of the Union as may be exercised and done by the Union and as are not by statute or by these Rules required to be exercised or done by the Union in General Meeting, provided that any arrangement involving the disposal of assets equivalent in value to one-third or more of the total value of the last published balance sheet of the Union must be ratified by a General Meeting before such arrangement is entered into.
- 13.2 No regulation made by the Union in General Meeting shall invalidate any prior act of the Committee which would have been valid had that regulation not been made.
- 13.3 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Union shall be signed, drawn, accepted, endorsed, or otherwise executed in such manner as the Committee shall from time to time direct.
- 13.4 Without prejudice to its general powers, the Committee may exercise all the powers of the Union to borrow money and to mortgage or charge its undertaking and property or any part of it and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Union or of any third party.

14. PROCEEDINGS AT COMMITTEE MEETINGS

- 14.1 The Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The Secretary shall at the request of two or more Committee members summon a meeting of the Committee at any reasonable time by giving all Committee members reasonable notice of the date, time and venue for the meeting and the general nature of the business to be considered.
- 14.2 The quorum necessary for the transaction of business at a Committee meeting shall be one half of the members of the Committee.
- 14.3 At every Committee meeting the Committee members present shall elect one of their number to be Chairperson of the meeting whose function shall be to conduct the business of the meeting in an orderly manner.

- 14.4 The Committee shall cause proper minutes to be made of all the proceedings of the Union, of the Committee and of any sub-committees. All such minutes shall be open to inspection by any member of Union at all reasonable times provided that certain minutes relating to the personal affairs of Union members and employees may be designated confidential and shall be available only to current members of the Committee.
- 14.5 Questions arising at Committee meetings shall be decided by a majority of votes of those present. In the event of a tied vote the Chairperson shall not have a second or casting vote and the resolution shall be deemed to be lost.

15. BORROWING

- 15.1 The Union shall have power to borrow money from its members and others for the purposes of the Union providing that the amount outstanding at any one time shall not exceed £1,000,000,000.
- 15.2 The Union shall have power to mortgage or charge any of its property, including the assets and undertakings of the Union, present and future, and to issue loan stock, debentures and other securities for money borrowed or for the performance of any contracts of the Union or its customers or persons or corporations having dealings with the Union.
- 15.3 The rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a Building Society or Local Authority shall not exceed 6½% per year or 3% above the base lending rate of The Co-operative Bank plc at the commencement of the loan, whichever is the higher.
- 15.4 The Union may receive from any persons donations or loans free of interest towards its work but shall not receive money on deposit.

16. AUDITORS

- 16.1 Subject to rule 16.4 below, the Union shall appoint in each financial year an auditor qualified under section 7 of the Friendly and Industrial and Provident Societies Act 1968 to audit the Union's accounts and balance sheet for the year.
- 16.2 The Union shall (subject to Rule 62) be exempt from the obligation to appoint a qualified auditor if during the preceding financial year it met such criteria regarding low levels of income and/or expenditure or other factors as to qualify it for statutory exemption from the need to appoint qualified auditors.
- 16.3 The members of the Union shall in general meeting vote every year to allow the Union to apply the audit exemption. Such a resolution shall be deemed to have been passed if less than twenty per cent of the total number of votes cast are against the resolution and more than ten per cent of the members of the Union cast their votes against the resolution.
- 16.4 None of the following persons shall be appointed as auditor of the Union:
- (a) _ an officer or employee of the Union ;
 - (b) _ a person who is a partner or employee of or who employs an officer of the Union.
- 16.5 The first appointment of an auditor shall be made within three months of the registration of the Union and shall be made by the Committee if no General Meeting is

held within that time. The Committee may appoint an auditor to fill a casual vacancy occurring between General Meetings. Except as specified in these cases, every appointment of an auditor shall be made by a resolution of a General Meeting of the Union.

- 16.6 An auditor for the preceding financial year shall be re-appointed as auditor of the Union for the current financial year unless :
- (a) a resolution has been passed at a General Meeting appointing someone else as auditor or providing expressly that s/he shall not be re-appointed; or
 - (b) s/he has given notice in writing to the Union of her/his unwillingness to be re-appointed; or
 - (c) s/he is ineligible for appointment as auditor of the Union for the current financial year; or
 - (d) s/he has ceased to act as auditor of the Union by reason of incapacity.
- 16.7 Any resolution of a General Meeting of the Union 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 the Union at least twenty-eight days prior to the meeting at which the resolution is to be considered. At least fourteen days' notice of such resolution must then be given to members of the Union in the manner prescribed in Rule 19 and in writing to the auditors.

17. ANNUAL RETURN

- 17.1 Every year and within the period prescribed by the Act, the Secretary shall send to the Financial Services Authority the annual return, in the form prescribed by the Financial Services Authority, 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 Union's accounts for the period included in the return or a copy of such other report (if any) as is required by statute for such period and;
 - (b) a copy of each balance sheet made during that period and of the report (if any) of the auditor or other appropriate person as required by statute on that balance sheet.
- 17.2 The Union shall on demand supply free of charge to any member or any person with an interest in the funds of the Union a copy of the latest annual return together with a copy of the auditor's report on the accounts and balance sheet contained in the return.
- 17.3 The Union shall at all times keep a copy of the latest balance sheet of the Union together with a copy of the corresponding auditor's report hung up in a conspicuous place at the registered office.

18. PROCEEDINGS ON DEATH OR BANKRUPTCY OF A MEMBER

- 18.1 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 Union belonging to the deceased or bankrupt member, the Union shall transfer or pay such property to which the personal representative or trustee in bankruptcy has become entitled as the personal representative or trustee in bankruptcy may direct them.
- 18.2 A member may in accordance with the Act nominate any individual or individuals to whom

any of her/his property in the Union at the time of her/his death shall be transferred, but such nomination shall only be valid to the extent of the amount for the time being allowed in the Act. On receiving a satisfactory proof of death of a member who has made a nomination the Union shall, in accordance with the Act, either transfer or pay the full value of the property comprised in the nomination to the person entitled thereunder.

19. APPLICATION OF PROFITS

19. The profits of the Union shall be applied as follows in such proportions and in such manner as may be decided by the Union at the Annual General Meeting:
- (a) firstly, to a general reserve for the continuation and development of the Union;
 - (b) secondly, in making payments for social and charitable objects.

20. SEAL

20. If the Union has a seal it shall be kept in the custody of the Secretary and used only by the authority of the Committee of Management. Sealing shall be attested by the signature of two directors or of one director and the Secretary for the time being. If the Society does not have seal, a document which would have previously required to be sealed, should be signed by a director and secretary or two directors and accompanied by a written statement that the document has been executed by the Union as if under common seal.

21. INVESTMENT OF FUNDS

21. The Union may invest any part of its funds:
- (a) in the manner set out in Section 31 of the Industrial and Provident Societies Act 1965; and (without limitation of those powers)
 - (b) upon the security of a written promise by the borrower to repay, in any society registered under the Act or any company registered under the Companies Act or Acts from time to time in force, being a society or company with limited liability.

22. DISSOLUTION

22. The Union may be dissolved by the consent of three quarters of the members by their signatures to an instrument of dissolution, or by winding up in a manner provided by the Act. If on the winding up or dissolution of the Union 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 instead to some other common ownership enterprise(s), or to the Co-operative Movement or some other non-profit organisation(s) promoting and supporting co-operative and common ownership enterprises, as may be decided by the members at the time of or prior to the dissolution.

23. DISPUTES

23. In the event of a dispute between the Union or its Committee and a member of the Union or a former member, such dispute shall be referred to an independent arbitrator whose appointment is acceptable to both parties to the dispute. The decision of such an arbitrator shall be binding. In the event that a dispute cannot, for whatever reason, be concluded by reference to an

arbitrator, the matter may with consent of the parties be referred to the County Court (or in Scotland to the Sheriff).

24. INTERPRETATIONS

24. In these Rules, "the Act" refers to the Industrial & Provident Societies Acts 1965 to 1978 or any Act or Acts amending or in substitution for them for the time being in force.