

The Companies Acts 1985 and 2006
COMPANY LIMITED BY SHARES

Memorandum of Association of Metfield Stores CIC

Co-operative Community Interest Company

1. The Company is to be a community interest company and shall be known as 'the Co-operative' in these Memorandum and Articles of Association

Name

2. The name of the Co-operative is Metfield Stores CIC.

Registered Office

3. The registered office of the Co-operative will be situated in England and Wales.

Objects

4. The Co-operative's object is to carry on activities which benefit the community and in particular but not exclusively to:

The purpose of Metfield Stores is to service the local community of Metfield and the environs as a sustainable village convenience store, promoting local suppliers, employing local people to manage, and involving volunteers to serve in the shop.

In carrying out the above objects the Co-operative shall (subject to the provisions of Companies (Audit, Investigations and Community Enterprise) Act 2004 and the Community Interest Company Regulations 2005):

- (1) abide by the internationally recognised values and principles of Co-operative identity as defined by the International Co-operative Alliance, in particular the values of self-help, self-responsibility, democracy, equality and solidarity and the ethical values of honesty, openness, social responsibility and caring for others; and
- (2) abide by principles of equality of opportunity and oppose any form of discrimination on grounds of race, ethnic origin, gender, sexual preference, age, disability or religion.

Powers

5. The Co-operative shall have the powers to do anything, which is incidental or conducive to the furtherance of its objects, and in particular:
 - (a) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions, patent rights, licences, secret processes, property of any kind necessary

or convenient for the purpose of or in connection with the Co-operative objects.

- (b) To borrow or raise or secure the payment of any money for the purposes of or in connection with the Co-operative's objects, and for the purpose of and in connection with the borrowing or raising of money by the Co-operative to become a member of any Building Society subject to the provisions of clause 6 below.
- (c) To mortgage and charge the undertaking and all or any of the real or personal property and assets, present and future, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers and privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or repayable, and collaterally or further to secure any securities of the Co-operative by a trust deed or other assurance subject to the provisions of clause 6 below.
- (d) To issue and deposit any securities which the Co-operative has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities and also by way of security for the performance of any contracts or obligations of the Co-operative or in whose undertakings the Co-operative is interested, whether directly or indirectly.

In carrying out its objects the Co-operative shall have regard to promoting the physical, mental and spiritual well-being of the community and especially those who participate in the activities of the Co-operative.

6. In accordance with Co-operative principles and subject to the provisions of Companies (Audit, Investigations and Community Enterprise) Act 2004 and the Community Interest Company Regulations 2005 the interest paid by the Co-operative on money borrowed shall not exceed such a rate as is necessary to attract and retain the capital required to further the Co-operative's objects.

Limited liability

7. The liability of the Members is limited.

Share Capital

8. The Co-operative's Share Capital is £500,500 dividend into 500 Co-operative Shares of £1 each, and 500,000 Equity Shares of £1 each.

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INTERPRETATIONS

1. In these Articles
- ‘the Act’ means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the times being in force.
- ‘the 2004 Act’ means the Companies (Audit, Investigations and Community Enterprise) Act 2004.
- ‘Address’, in relation to electronic communications, includes any number or address given to the Company for that purpose.
- ‘Asset Locked Body’ means a community interest company, a Charity, Scottish Charity, Northern Ireland Charity or a body established outside the United Kingdom that is equivalent to any of those persons.
- ‘The Board of Directors’ or ‘Board’ means all those persons appointed to perform the duties of Directors of the Co-operative.
- ‘Charity’ (except in the phrases, ‘Scottish Charity’ and Northern Ireland Charity) the meaning given by Section 96 of the Charities Act 1993.
- ‘Community’ is to be construed in accordance with Section 35 of the 2004 Act and Part 2 of the Regulations.
- ‘Community Interest Test’ is to be construed in accordance with Section 35 of the 2004 Act.
- the ‘Co-operative’ means the above-named Company.
- ‘Director’ means a Director of the Co-operative, including any person occupying the position of Director, by whatever name called.
- ‘Electronic means’ shall be taken to mean the same as in the Electronic Communications Act 2000.
- ‘Employee’ means a person for the time being holding a contract of employment with the Co-operative or any subsidiary of the Co-operative.
- ‘Northern Ireland Charity’ a charity within the meaning of the Charities Act (Northern Ireland) 1964.
- ‘Regulations’ means the Community Interest Company Regulations 2005.
- ‘the Seal’ means the Common Seal of the Co-operative.
- ‘Secretary’ means any person appointed to perform the duties of the Secretary of the Co-operative.

In these Articles of Association the expression ‘Board of Directors meeting’ or ‘meeting of the Board of Directors’ includes, except where inconsistent with any legal obligation:

- a physical meeting;
- a meeting held by electronic means.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, photocopying and other modes of representing or reproducing words in visible form

including by electronic means. Words importing the singular number shall include the plural and vice versa unless a contrary intention appears.

Unless the context requires otherwise, words or expressions contained in these Articles shall bear the same meaning as in the Act, or the Regulations, as the case may be.

Any statutory instruments from time to time in force shall be deemed to apply to this Co-operative, whether or not these Articles have been amended to comply with such instrument.

All headings are included for convenience only they do not form part of the Articles, and shall not be used in the interpretation of the Articles.

MEMBERSHIP

2. The subscribers to the Memorandum and Articles of Association are the first members of the Co-operative.
3. Such other persons, society, company, firm or Association whose names are entered in the Register of Members, and who are admitted to membership in accordance with these Articles, shall be members of the Co-operative, provided that no member shall be admitted unless he, she or it is approved by the Directors and meets the criteria for membership as laid down from time to time by the Co-operative, which shall contain an application for at least one Co-operative share in the Co-operative and may include the payment of a membership fee or annual subscription.
4. All potential members of the Co-operative shall complete an application for membership in such form and containing such information as the Directors require, any such form may provide that a member may give their consent to receive communications by electronic means. Any member giving their consent in this way shall notify the Secretary of any change to their details within seven days of the change.

New applicants to membership may be required to serve such reasonable probationary period as may be agreed by the Co-operative in General Meeting before becoming eligible to be admitted into membership. Membership is not transferable to anyone else. Nor is membership or any share to be held jointly.

5. A member which is a corporate body or association shall by resolution of its governing body appoint a deputy, who shall during the continuance of her/his appointment be entitled to exercise in any general meeting of the Company all such rights and powers as the body corporate or association would exercise if it were an individual person. In the case of an

unincorporated association that person shall hold any shares on behalf of the governing body of that association for the period of their appointment. A copy of such resolution, signed by the governing body, shall be sent to the Secretary. A corporate body or association may resolution of its governing body change their choice of deputy at any time, such change shall only take effect upon the Secretary receiving official notification from the corporate body or association.

Register of Members

6. The Co-operative shall maintain a Register of members in which shall be recorded the name, address, share holding of every member, and if applicable an address to be used for electronic means and the dates on which they became a member and on which ceased to be a member. A member shall notify the Secretary in writing, including by electronic means, of a change of their name or address.

Cessation of Membership

7. A member shall cease to be a member immediately that he, she or it:
 - a. ceases in the opinion of the Board to be involved in the Co-operative by virtue of using its services or by participating in the Co-operative’s activities during anyone period of twelve months; or
 - b. fails in the opinion of the Board unreasonably to pay any fee or other monies due to the Co-operative; or
 - c. resigns in writing to the Secretary; or
 - d. is expelled by a Special Resolution carried in accordance with Article 18(a) at a Special general meeting called to consider the matter provided that the member has been given at least fourteen days notice in writing that it is proposed to expel them, specifying the circumstances alleged to justify expulsion and a reasonable opportunity of being heard by or making written representations to the members passing the resolution; or
 - e. dies or ceases to exist.

Upon cessation of membership the Co-operative shall purchase that Member’s shares in accordance with Article 15.

Co-operative Commitment

8. As a co-operative enterprise, the Co-operative and its members shall seek to manage the business in line with international co-operative values and principles and good business practice.

Membership and Stakeholder Engagement

9. The Co-operative shall seek to actively engage with its members and other stakeholders, by virtue of regular updates on matters relating to the community benefit and social activities of the Co-operative, and with consultation of members and key stakeholders on issues of relevance. A stakeholder can be any person or organisation the Co-operative has a relationship with or its activities impact on, including the community in

which it operates, employees, funders, suppliers and customers.

SHARE CAPITAL AND SHARE RIGHTS

10. Upon allotment, all shares shall be fully paid-up in respect of their nominal value. No share shall be issued at a price greater than its nominal value.

Co-operative Shares

- a. Co-operative Shares may only be held by members of the Co-operative. A member shall not be entitled to hold more than one Co-operative Share in the Co-operative. Co-operative Shares shall carry the right to one vote at general meetings of the Co-operative. Co-operative Shares shall not be redeemable and shall carry no right to participate in the profits or assets of the Co-operative. Co-operative Shares may only be transferred to the Co-operative or to the Secretary acting as a nominee. A person, society, company, firm or association who ceases to be a member of the Co-operative, for any reason, shall be deemed to have given a sale notice pursuant to Article 10(b) in respect of her/his or its share.
- b. A member ceasing to be a member of the Co-operative. The Secretary shall hold the Share as nominee for the Board of Directors or such other persons as the Board of Directors shall decide. Within 21 days of the date of cessation of membership, the member shall deliver to the Secretary a signed stock transfer form in respect of the Co-operative Share. If on the expiration of the 21 day period no stock transfer form has been received from the ex-member, two members of the Board of Directors will be deemed to be the duly appointed attorney of the ex-member and shall execute a stock transfer form on her/his/its behalf and deliver it to the Co-operative.
- c. The Co-operative is prohibited from making any alteration to the rights attached to Co-operative Shares.

Equity Shares

- d. Non-voting Equity Shares may be held by any person, society, company, firm or association. They shall carry no rights to vote at meetings of the Co-operative, except meetings of the Equity Shareholders. For the purposes of these Articles and the act Equity Share holders shall not be considered members of the Co-operative. Subject to Article 72, dividends may be paid to the Equity Shareholders as decided by a general meeting of the membership from time to time. The Co-operative shall have the right to redeem the Equity Shares at par value, and on a winding up the holders of the Equity Shares shall be entitled to receive their par value but shall not otherwise participate in any distribution of any surplus assets of the Co-operative. The holder of Equity Shares shall on a poll at an Equity Shareholders’ meeting have only one vote regardless of the number of

shares held. Equity Shares may be transferred in accordance with Article 11.

- e. The rights attached to the Equity Shares may, subject to Article 10(f), only be varied or removed with the consent in writing of three quarters of the Members in addition to the consent in writing of three quarters of the Equity Shareholders or with the sanction of a Special Resolution passed at a separate meeting of the Equity Shareholders, but not otherwise. To every such separate meeting, all the provisions of these Articles relating to general meetings of the Co-operative and their proceedings shall apply except that the necessary quorum shall (where applicable) be 50% of the Equity Shareholders or two persons holding Equity Shares, whichever is the greater.
- f. The Co-operative is prohibited from making any variation to the Equity Shares, which would have the effect of:
 - i. enabling the Equity Shareholders to have the right to participate in a distribution of the net assets of the Co-operative above the repayment of their shares at par value;
 - ii. enabling the Equity Shareholders to have the right to vote at general meetings of the Co-operative (other than meetings of the Equity Shareholders).

Transfer of Equity Shares

11. Equity Shares may be transferred by means of an instrument of transfer in a form permitted by law.
12. The Directors may refuse to register the transfer of a share:
 - a. to a person, society, company, firm or association of whom they do not approve;
 - b. if it is not lodged at the registered office of the Co-operative or such other place as the Directors may appoint; or
 - c. if it is not accompanied by:
 - i. such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
 - ii. such other information as they may reasonably require.
13. If the Directors refuse to register a transfer of a share they shall, within 2 months after the date on which the transfer was lodged with the Co-operative, send to the transferee notice of the refusal. The provisions of this Article apply in addition to any restrictions on the transfer of a share, which may be set out elsewhere in the Memorandum or Articles.

Transmission of Shares

14. If a Member dies, the Co-operative shall purchase that member's shares in accordance with the Articles and that member's personal representatives (or, in Scotland, executors), or that member, shall sell such shares to the Co-operative at their nominal value.

Each member and each member's personal representatives (or, in Scotland, executors) irrevocably appoint the Co-operative to be his, her, its or their attorney or agent in his, her, its or their name and on his, her, its or their behalf to do all such things and to sign all such documents as may be necessary in order to give the Co-operative the full benefit of the provisions of this Article (and in particular but without limitation, in respect of any third party a certificate signed by any duly authorised officer of the Co-operative that any thing or document falls within the authority hereby conferred shall be conclusive evidence that this is the case).

Purchase of own shares

15. Subject to the Articles, the Co-operative may purchase its own shares (including any redeemable shares) and may make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Co-operative or the proceeds of a fresh issue of shares. Any share so purchased shall be purchased at its nominal value.

Alteration of capital

16. The members may by special resolution:
 - a. increase the Co-operative's share capital by new shares of such amount as the resolution prescribes;
 - b. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - c. subject to the 1985 Act, sub-divide its shares, or any of them, into shares of smaller amount, and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have preference or advantage as compared with others;
 - d. cancel shares, which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

GENERAL MEETINGS

17. The Co-operative shall in each calendar year hold a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it, providing that every annual general meeting shall be held not more than fifteen months after the holding of the last preceding annual general meeting. Provided that the first annual general meeting shall be held within eighteen months of incorporation, it need not be held in the year of incorporation nor in the following year.

The Board may whenever they think fit convene a general meeting, or on receiving a requisition from members in accordance with the Act.

Resolutions

18. Decisions at general meetings shall be made by passing resolutions as follows:
 - a. Decisions involving an alteration to the Memorandum and Articles of Association of the Co-operative, and the expulsion of a member of the Co-operative, and other decisions so required from time to time by statute shall be made by Special Resolution. A Special Resolution is one passed by a majority of not less than three-fourths of votes cast at a general meeting.
 - b. All other decisions shall be made by Ordinary Resolution requiring a simple majority of votes cast.
19. A resolution in writing shall be valid and effective as if it had been passed at a General Meeting of the Company, and may consist of several documents in the same form, each signed by one or more members. A written resolution shall be deemed to have been passed if:
 - a. Written approval has been received from at least 75% of the membership where the business of the resolution is deemed special;
 - b. Written approval has been received from at least 51% of the membership for all resolutions dealing with all other business.

Agreement to a written resolution must be received within 28 clear days of the circulation date of the resolution in accordance with the Act.

In accordance with the Act, resolutions to remove a member of the Board of Directors or auditor of the Company before the end of his/her period of office shall not be passed by written resolution.

Notices

20. An annual general meeting and any general meeting which is to consider a Special Resolution or which is to consider a proposal to remove the auditor or a member of the Board shall be called by at least twenty-one clear days' notice. Any other general meeting shall be called by at least fourteen clear days' notice.
21. Notice of every general meeting shall be given in writing to every member of the Co-operative and to the auditors and to such other persons who are entitled to receive notice and shall be given personally or sent by post to each member at the address recorded in the Register of Members and to other persons at their Registered Office or to an address given where a member has given their consent to receive communications by electronic means.
22. Notice of all meetings shall specify the exact time and place of the meeting. In the case of a general meeting which is to consider a Special Resolution or a proposal to remove the auditor or a member of the Board, such resolution shall be specified in the notices calling that meeting, and in the case of all other general meetings

the general nature of the business to be raised shall be specified. Notice shall also include the right of each member to appoint a proxy.

23. A notice sent by post to a member's registered address, and a notice sent by electronic means shall be deemed to have been duly served forty-eight hours after the notice has been posted or sent.
24. Where a Company places communications required by these Articles on its web-site, notification must be given to all members who have given their consent to receive communication by this method that documents have been placed for their consideration.
25. The accidental omission to give notice of a meeting to or non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate proceedings at that meeting.

Proceedings at general meetings

26. Every member and such other persons as receive notice shall be entitled to attend and speak at a general meeting.

Voting

27. Each member shall have one vote on any question to be decided by a General Meeting. A member who is absent from the meeting may appoint any person to act as their proxy, provided that no person acting as a proxy shall hold more than 50% of the total votes being cast at a General Meeting including their own vote, or if the Co-operative has more than ten Members no Member acting as a proxy shall hold more than five votes including their own vote. Proxies shall be appointed using procedures agreed in General Meeting. Notice of an appointment of a proxy by a member must be received by the Secretary no later than 48 hours (excluding week-ends) prior to the meeting. A proxy shall be instructed by the member for whom s/he is acting to vote this way or that on a particular resolution.

A person who is not a member of the Co-operative shall not have any right to vote at a general meeting of the Co-operative; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Co-operative's debentures.

28. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a paper ballot is, before or on the declaration of the result of the show of hands, demanded by at least two members present or by the Chair or a member or members representing not less than one tenth of total voting rights of all the members having the right to vote at the meeting. A paper ballot may not be demanded on any question concerning the selection of a Chairperson for a meeting or on any question of adjournment. Unless a paper ballot be so demanded, a declaration by the Chairperson that a resolution has on a show of hands been carried or lost and an entry to that effect in the book containing the minutes of the proceedings of

the Co-operative shall be conclusive evidence of the fact without proof of the number or proportions of the votes recorded in favour or against such resolutions.

29. If a paper ballot is duly demanded it shall be taken in such a manner as the Chairperson directs, provided that each member shall have only one" vote, and the result of the ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. The demand for a paper 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 paper ballot may be withdrawn.
30. In the case of an equality of votes, whether on a show of hands or on a ballot, the Chairperson of the meeting shall not have a second or casting vote. Articles 27 and 36 are without prejudice to any right to vote on a resolution affecting the rights attached to a class of Co-operative's debentures.

Quorum

31. No business shall be transacted at a general meeting unless a quorum of members is present. Unless and until otherwise decided by the Co-operative in general meeting, 20% of the membership for the time being shall be the quorum, subject to the number of members being more than ten and less than 100, in the event of the membership exceeding 100 the quorum shall be thirty and in the event of the membership being less than ten, it shall be one half subject to a minimum of three.
32. 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 such date as the Board may decide and all members shall be given as much notice as is practicable of the time, date and place of such an adjourned meeting. The members present at a meeting so adjourned shall constitute a quorum for that meeting only.
33. At any meeting of the Co-operative where the Chairperson is not present within twenty minutes of the time appointed for the meeting, the members present shall choose 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. Once the meeting has started by the Chair, the meeting shall continue to transact business even if the number of members present as specified for a quorum in accordance with Article 31 falls below this amount.
34. The Chairperson may with the consent of the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and place to place but no business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
35. Where a meeting is adjourned for thirty 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.
36. The Co-operative may at its discretion invite other persons to attend its meetings, with or without speaking rights, a person who is not a member of the Co-operative shall not have any right to vote at a general meeting of the Co-operative.

BOARD OF DIRECTORS

37. Unless and until otherwise determined by the Co-operative in general meeting the number of members of the Board shall not be less than four or more than nine. For the avoidance of doubt, members of the Board are the Directors of the Co-operative within the meaning of the Act.
38. The initial Directors from incorporation until the first annual general meeting shall be the persons named on the Form 10 upon incorporation.
39. Subject to Article 46 below the qualification required to be a Director shall be that he or she is a member of the Co-operative, or the duly appointed representative of an organisation which is a member, and there shall be no other qualification required.
40. A Director shall, subject to Article 50 below, hold office until the next annual general meeting following their appointment. However the expectation is that Directors will serve for three years and stand down in rotation, to be decided by the Board. On expiration of the period of office for which he or she was elected, a Director shall be eligible for re-election.
41. New Directors shall be elected individually at (or prior to) the annual general meeting by and from the membership. Nominations shall be sought and elections conducted in such manner as the Board may from time to time direct provided that all members of the Co-operative shall be eligible to stand for election and to vote (except that if the election is held at the annual general meeting, only those members present in person or by proxy shall be entitled to vote).
42. No powers to appoint Directors of the Co-operative may be given to persons or bodies corporate who are not members of the Co-operative which immediately after their exercise could result in the majority of the Directors of the Co-operative having been appointed by persons or bodies corporate who are not members of the Co-operative.
43. No powers to remove Directors of the Co-operative may be given to persons for bodies corporate who are not members of the Co-operative which immediately after their exercise could result in either:

- a. the majority of the remaining Directors of the Co-operative having been appointed by persons or bodies corporate who are not members of the Co-operative; or
- b. the number of Directors removed during the current financial year of the Co-operative by persons or bodies corporate who are not members of the Co-operative exceeding the number of remaining Directors of the Co-operative.

But this shall not prevent a Director from appointing, or subsequently removing, an alternative director, if permitted to do so by the Articles.

44. A Director who is an alternative Director shall be entitled in the absence of his appointer to a separate vote on behalf of his appointer in addition to his own vote.

Casual vacancies

45. The Board may at any time co-opt any member of the Co-operative to fill a casual vacancy in the Board. A casual vacancy shall exist when the number of Directors is less than the number elected at the last held annual general meeting.

External Independent Directors

46. In addition the Board may co-opt up to two external independent Directors selected for their particular skills and/or experience. Such External Independent Directors shall serve a fixed period determined by the Board at the time of the co-option subject to a review at least every twelve months; and may be removed from office at any time by a resolution passed by a majority of the Board. External Independent Directors need not be members of the Co-operative.

Declaration of Interest

47. Whenever a Board member has a personal, financial or material interest, whether directly or indirectly in a matter to be discussed at a meeting and whenever such a person has an interest in another unincorporated or corporate body whose interests are reasonably likely to conflict with those of the Co-operative in relation to a matter to be discussed at a meeting, notwithstanding matters relating to the terms of business of the Co-operative s/he must
 - a. declare an interest before the discussion begins on the matter;
 - b. withdraw from that part of the meeting unless expressly invited by the Chair of the meeting to remain;
 - c. not be counted in the quorum for that part of the meeting;
 - d. withdraw during the vote and have no vote on the matter.

Provided that nothing in this Article shall prevent a Board member voting in respect of her/his own contract of employment or in respect of bonus or other payments to Members.

48. Subject to anything to the contrary in these Articles:
 - a. in accordance with (but subject to) the provisions of section 175 of the 2006 Act, the Board may give authorisation in respect of a situation in which a Board member has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Co-operative; and
 - b. in authorising a situation the Board may decide (whether at the time of giving the authorisation or subsequently) that if the conflicted Board member has obtained any information through his/her involvement in the situation otherwise than as a Board member and in respect of which s/he owes a duty of confidentiality to another person, the Board member is under no obligation to:
 - i. disclose that information to the Co-operative; and/or
 - ii. use that information for the benefit of the Co-operative;

where to do so would amount to a breach of confidence.

Remuneration

49. Any remuneration of Directors shall only be in respect of services actually rendered by that Director to the Co-operative. A Director may act in a professional capacity for the Co-operative, and s/he or his/her firm shall be entitled to remuneration for professional services as if s/he were not a Director; provided that nothing shall authorise a Director or his/her firm to act as Auditor to the Co-operative. Directors' remuneration shall be subject to satisfying the community interest test and any reporting requirements that may be determined by the Board from time to time.

Termination of Directors' Appointment

50. The office of a member of the Board shall be vacated if he or she:
 - a. resigns her/his office in writing to the Co-operative; or
 - b. subject to Article 46 above, ceases to be a member of the Co-operative or is the representative of an organisation which ceases to be a member; or
 - c. in the opinion of a majority of the Board, fails to declare her/his interest in any contract as referred to in Article 47 or 48; or
 - d. is absent from three successive meetings of the Board without good cause and the Board resolves by a majority that the office is to be vacated by reason of such absence; or
 - e. becomes bankrupt or, in the opinion of a majority of the Board, incapable on medical or psychological grounds of carrying out the duties of a Board member, or is otherwise prevented by law from continuing as a company Director; or
 - f. is removed from office by Special Resolution of the Co-operative in general meeting in accordance with the Act.

Powers and Duties of the Board

- 51. The business of the Co-operative shall be managed by the Board who may pay all expenses of the formation of the Co-operative as they think fit and may exercise all such powers of the Co-operative and do all such acts on behalf of the Co-operative as may be exercised and done by the Co-operative and as are not by statute or by these Articles required to be exercised or done by the Co-operative in general meeting, provided that no contract or agreement to dispose of assets of the Co-operative amounting in value to one-third or more of the last published balance sheet of the Co-operative may be entered into without the prior approval of the Co-operative in general meeting.
- 52. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Co-operative shall be signed, drawn, accepted, endorsed or otherwise executed in such manner as the Board shall from time to time determine.
- 53. Without prejudice to its general powers the Board may exercise all the powers of the Co-operative to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Co-operative or of any third party.
- 54. No regulation made by the Co-operative in general meeting shall invalidate any prior act of the Board which would have been valid had that regulation not been made.

Proceedings of the Board

- 55. Members of the Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Members of the Board participating in meetings must participate at the same time, but may be in different places; and may communicate with each other by any means, including by electronic means. Questions arising at a Directors meeting shall be decided by a majority of votes. In all proceedings of Directors each Director must not have more than one vote.
- 56. Except as provided by Articles 44 and 55 in all proceedings of Directors each Director must not have more than one vote.
- 57. The Secretary shall on the requisition of two or more Board members summon a meeting of the Board by giving reasonable notice to all its members.

Quorum

- 58. The quorum necessary for the transaction of business of the Board shall be one half of its members or three members, whichever is the greater.
- 59. If the Board shall at any time be reduced in number to less than the minimum prescribed in these Articles or

by the Co-operative in general meeting, the remaining members may act as the Board for the purpose of filling vacancies in their body, or of summoning a general meeting of the Co-operative, but for no other purpose.

- 60. At any meeting of the Board where the Chairperson is not present within twenty minutes of the time appointed for the meeting, the members present shall choose 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.

Minutes

- 61. The Board shall cause proper minutes to be made of the proceedings of all meetings of the Co-operative, of the Board and of any sub-committee and all business transacted at such meetings. All such minutes shall be open to inspection by any member of the Board at any reasonable time.
- 62. A resolution in writing signed by the requisite majority of Board members for the time being who are entitled to vote shall be as valid and effective as if it had been passed at a meeting of the Board and may consist of several documents in similar form each signed by one or more Board members.

Sub-Committees

- 63. The Board may delegate any of its powers to sub-committees consisting of such members of the Co-operative as it thinks fit. Any sub-committee so formed shall conform to any rules that may be imposed on it by the Board.
- 64. All acts done by any meeting of the Board or by any person acting as a member of the Board shall, even if it be afterwards discovered that there was some defect in the appointment of any Board member or person acting as such, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Board member.
- 65. The Board may at its discretion invite other persons to attend its meetings, with or without speaking rights, and without voting rights.

HONORARY OFFICERS

- 66. The Board shall elect from amongst their own number such honorary officers including a Chairperson, as they may from time to time decide. Any officers so elected may be removed or replaced by the Board at any time. The removal of a Director from the position of honorary officer shall not result in their removal from the Board as a Director.

SECRETARY

- 67. The Board shall appoint an individual to act as Secretary of the Co-operative, who may but need not be also a member of the Board, for such term, at such remuneration and upon

such conditions as they think fit; and any Secretary so appointed may be removed by them.

Anything which has to be done by or to a Board member and the Secretary shall not be done by or to one person acting in both capacities.

SEAL

68. If the Co-operative has a Seal, it shall only be used by the authority of the Board acting on behalf of the Co-operative. Every instrument to which the Seal shall be attached shall be signed by a Board member and countersigned by a second member, the Secretary, or a member of the Co-operative appointed by the Board for the purpose.

ACCOUNTS, REPORTS AND AUDIT

69. The Board shall comply with the requirements of the Act and any other applicable law as to keeping financial records, the audit or examinations of accounts and the preparation and transmission to the Registrar of Companies of annual reports and accounts.
70. The accounts shall always be open to the inspection of all members and officers and by other persons authorised by the Co-operative in general meeting.
71. A copy of every balance sheet (including every document required by law to be annexed thereto) which is laid before the Co-operative in general meeting, together with the auditor's report, shall not less than twenty-one days before the date of the meeting be delivered in person, sent by post or by electronic means to the auditors and every holder of loan stock or debentures of the Co-operative, provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Co-operative is not aware or to more than one of the joint holders of any debenture. Where a member has given their consent to such notification a copy of the accounts displayed on the Co-operative's official website shall be deemed to have been delivered to that member.

Surplus of the Co-operative

72. The surplus of the Co-operative shall be applied in furtherance of the community benefit as provided for in Clause 4 of the Memorandum, and as follows, in such proportion and in such a manner as the general meeting shall decide:
- a. First, to a general reserve for the continuation and development of the Co-operative;
 - b. Second, by way of distribution to Equity Shareholders of the Co-operative as payment of dividend on their shares in the Co-operative, in accordance with Article 74.

Procedure for declaring dividends

73. Subject to the Act, the 2004 Act, the Regulations and the Articles, the Directors may decide to declare and pay such dividends to members as:

- a. appear to the Directors to be justified by the Co-operative's profits;
- b. are in accordance with members' respective rights; and
- c. are authorised by an ordinary resolution of the members.

Payment of dividends

74. The Company shall pay any dividend or other money payable by it in respect of a share by means of:
- a. a transfer to a bank account specified in writing by the holder; or
 - b. a cheque sent by post to the registered address of the holder.

Right to dividend forfeited if unclaimed for twelve years

75. Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so decide, be forfeited and cease to remain owing by the Co-operative.

Asset Lock

76. The Co-operative being a community interest company shall not transfer any of its assets other than for full consideration.
77. Provided the condition specified in Article 78 is satisfied, Article 76 shall not apply to:
- a. the transfer of assets to any Asset Locked Body specified in the Memorandum or Articles for the purposes of this Article or (with the consent of the Regulator) to any other Asset Locked Body;
 - b. the transfer of assets made for the benefit of the community other than by way of a transfer of assets to an Asset Locked Body;
 - c. the payment of dividends in respect of shares in the Co-operative;
 - d. the distribution of assets on winding up;
 - e. payments on the redemption or purchase of the Co-operative's own shares;
 - f. payments on the reduction of share capital; and
 - g. the extinguishing or reduction of the liability of members in respect of share capital not paid up on the reduction of share capital.

78. The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than the full consideration which may be set out elsewhere in the Memorandum and Articles of the Company and must not exceed any limits imposed by, or by virtue of, Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004.

79. If the Co-operative is wound up under the Insolvency Act 1986; and all its liabilities have been satisfied then any residual assets shall be given or transferred to the Asset Locked Body specified in the Memorandum or Articles for the purposes of this article.

80. The following Asset Locked Body is specified as a potential recipient of the Co-operative’s assets under Articles 77 and 79 above.

Registered name: Metfield Village Hall
Registered Charity Number (if applicable) 304796
Registered Company number (if applicable)
Registered Office/Principal Office address Metfield Village Hall, Skinners Lane, Metfield, Harleston, Norfolk IP20 0LH

- b. negligence; or
- c. actions knowingly beyond the scope of a specific authority or limit thereon on the part of such person.

BYELAWS, STANDING ORDERS, SECONDARY RULES

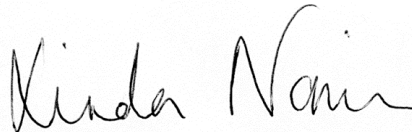
82. The Co-operative in general meeting or the Board may from time to time make, adopt and amend such procedures in the form of bye-laws, standing orders, secondary rules or otherwise as they may think fit for the management, conduct and regulation of the affairs of the Co-operative and the proceedings and powers of the Board and sub-committees. No procedure shall be made which is inconsistent with these Articles or the Act. All members of the Co-operative and the Board shall be bound by such procedures whether or not they have received a copy of them.

INDEMNITY

81. Every member or auditor or officer of the Co-operative shall be indemnified out of the assets of the Co-operative against all losses or liabilities incurred by her/him in or about the execution and discharge of the duties of her/his office, except to the extent that such losses or liabilities shall be attributed to:

- a. fraud or other matters in respect of which such person concerned shall be convicted of a criminal offence; or

Signed by Chairman of Board of Directors:



Date:20 October 2010.....