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Form H



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CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

Acknowledgement of registration of a rule amendment

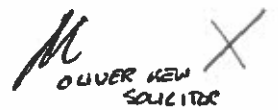
The FCA today acknowledges the registration of the amendment of the attached rules under the Co-operative and Community Benefit Societies Act 2014 for:

Society name: **Reading Hydro CBS Limited**

Registration number: **7212**

Date: **9 October 2018**




OLIVER NEW
SOLICITOR

Partial Amendment of Rules of Reading Hydro Community Benefit Society Ltd

Register Number 7212

INSERT NEW RULE AFTER EXISTING RULE 4:

4a. The Society shall be owned and controlled by its Members on a fair and equitable basis.

AMEND EXISTING RULE 18:

"18. If on due notice having been served the Member fails to attend the meeting the meeting may proceed in the Member's absence. No Member expelled from membership shall be re-admitted except by an Extraordinary Resolution." **INSERT FOLLOWING SENTENCE TO EXISTING RULE** "An expelled Member shall be paid the nominal value of shares held by them at the time of expulsion "

AMEND EXISTING RULE 19, ADD FOLLOWING PARAGRAPH BEFORE EXISTING TEXT:

"In accordance with section 37 of the Act, a Member may nominate one or more persons to whom property which that Member holds in the Society may be transferred on death. On receiving a satisfactory proof of death of a Member who has made a nomination the Society shall, in accordance with the Act, either transfer or pay the full value of the property comprised in the nomination to the individual or individuals entitled thereunder. Any property held by a Member who dies or becomes bankrupt which is not dealt with by nomination under this Rule shall be dealt with as follows:"

DELETE EXISTING RULE 21:

"The shares of the Society shall be of the nominal value of £1 issued to persons upon admission to membership of the Society. The shares shall be fully paid prior to issue, neither Transferable nor Withdrawable, shall carry no right to interest, dividend or bonus, and shall be forfeited and cancelled on cessation of membership from whatever cause, and the amount paid up on such cancelled shares shall become the property of the Society. Each Member shall hold one share only in the Society."

REPLACE EXISTING RULE 21 WITH FOLLOWING RULES:

"21. The Society may issue two classes of shares, Class A Shares and Class B Shares.

21a. Class A Shares are of the nominal value of £1 which are currently in issue on the date this rule amendment was registered by the FCA. No further Class A shares shall be issued by the Society. These shares are non-Transferable except on death or bankruptcy or (in the case of an unincorporated organisation or partnership), on a change of nominee(s) and only to the new nominee(s), nor Withdrawable, shall carry no right to interest, dividend or bonus, and shall be forfeited and cancelled on cessation of membership from whatever cause, and the amount paid up on such cancelled shares shall become the property of the Society.

21b. Class B Shares shall be of the nominal value of £1.00. The minimum Class B shareholding required of a Member shall be defined as such number of fully paid Class B shares as the Board may determine subject to

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Register Number 7212

the Act, or as may be required by a particular offer of Class B shares, or, failing such determination or requirement, shall be one Class B share.

21c. Applications for Class B shares shall be made to the Board who shall allot to Members, upon their admission, the Class B share or shares for which they have applied provided that the total number of Class B shares allotted to any Member shall not exceed the maximum shareholding permitted by the Act. Class B shares shall be paid for in full on allotment.

21d. If a Member who is required to withdraw from membership under these Rules and the right to withdraw Class B shares has been suspended, then the nominal value of his Class B share capital shall be converted into loan stock upon such terms as may be agreed between the Board and the Member, or their personal representative, trustee in bankruptcy, or Office Holder provided that such agreement shall require the repayment of the loan within a period not exceeding three years.

21e. Class B shares shall be Withdrawable only in accordance with the provisions of these Rules. Class B shares shall be non-Transferable except:

- (a) on death or bankruptcy; or
- (b) (in the case of an unincorporated organisation or partnership), on a change of nominee(s) and only to the new nominee(s).

Withdrawal of share capital

21f. Class B Shares may be withdrawn by Members upon giving three months' notice to the Society (though the Board retain sole discretion to return money paid for them), provided that:

- (a) All withdrawals shall be paid in the order in which the notices were received by the Society;
- (b) A Member shall not be entitled to withdraw shares which would leave them with less than the minimum Class B shareholding, unless they intend to terminate their membership of the Society;
- (c) The Board may waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as they consider fit;
- (d) The Board may, at their sole discretion, suspend the right to withdraw Class B Shares either wholly or partially, and either indefinitely or for a fixed period. The suspension shall extend and apply to all notices of withdrawal which have been received and remain unpaid at the time the Board suspends the right to withdraw. Where the suspension is for a fixed period, such period may be extended from time to time by the Board;
- (e) During any period when the right of withdrawal has been suspended under the provision immediately above, the Class B shares of deceased Members may, if the Board agree, be withdrawn by their personal representatives upon giving such notice as the Board may require;
- (f) The amount to be paid to a Member on withdrawal shall be the amount paid up or credited on the shares to be withdrawn, except where the shares are subject to a reduction in their value in accordance with the provisions of these Rules;
- (g) Interest shall be payable on any share in respect of which a notice of repayment has been given until the date of repayment.

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Register Number 7212

21g. Any Class B Shares withdrawn in accordance with these Rules shall be cancelled.

21h. Members may withdraw from the Society by withdrawing all their shares in the Society in accordance with these Rules or, if the right to withdraw Class B Shares has been suspended, by surrendering all their shares to the Society. Upon such surrender the Board may at their discretion pay to the withdrawing Member the amount paid up or credited on the Class B Shares surrendered.

21i. The Society may deduct such reasonable sum to cover any administrative costs of withdrawal from the monies payable to a Member on the withdrawal of Class B Shares in the Society.

Reduction in Share Values

21j. If the Society's Auditors (or any independent qualified accountants appointed for this purpose by the Board) certify at any time that the aggregate of the Society's liabilities plus the amount of its issued share capital exceeds its assets, then (unless in the meantime the excess has been removed) the Board may determine that the amount of this excess, or part of it, shall be apportioned among the Members in proportion to (but not beyond) the amount of the nominal value of the shares paid up and held by each Member. This apportionment shall be based on the value of the shares paid up and held by each Member at the close of business on the date of such determination. The value of shares held by each Member shall be reduced accordingly for the purposes of withdrawal of shares, provided that the value of shares held by any Member shall not be reduced below the minimum shareholding as specified in these Rules.

Lien on Shares and Right of Offset

21k. The Society shall have a lien on the shares of a Member for any debt due to it by the Member and may offset any sum standing to the Member's credit with the Society in or towards payment of such debt.

AMEND EXISTING RULE 54:

"54. The composition of the Board shall be as follows:

(a) Up to five Directors elected by and from the Society's members; **REPLACE "five" WITH "seven"**

(b) Up to four Directors, who must be Members, appointed to the Board by co-option. Co-opted Directors are to be selected by the Board of Directors for the particular skills and/or experience." **REPLACE "four" WITH "three"**

INSERT NEW RULE AFTER EXISTING RULE 62.

"62a. Any ultra vires action by the Board may be ratified by the Society by a special resolution passed in the way required by s44 of the Act. A separate special resolution must be passed in the same way should the Society wish to relieve a Director from any liability incurred as a result of a breach of duty arising from the Society acting outside its powers."

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INSERT NEW RULE AFTER EXISTING RULE 84.

Payment of Interest on Share Capital

"84a. In order to meet its obligation to carry on its business for the benefit of the community, the Society may raise share capital as required to carry out its objects and may pay interest on Members' share capital at such rate as may be determined by the Board from time to time, provided that the rate of interest paid does not exceed the minimum rate necessary in the opinion of the Board to obtain the required share capital and thereafter to retain it."

Signature of Members

1



SOPHIE MAY FENWICK PAUL

2



MICHAEL JAMES BEAVEN

3



ANTHONY PHIL COWLING

Signature of Secretary



ANNE ELIZABETH WELDON



Mutual Societies Application Form

Amendment of rules for a society or credit union

Full name of society or credit union:

Reading Hydro Community Benefit Society Ltd



Important information you should read before completing this form

This form should be used to register a rule amendment by societies registered under:

- Co-operative and Community Benefit Societies Act 2014 (including credit unions)
- Friendly Societies Act 1974 (unless a branch of a friendly society)

This form should not be used by building societies or societies registered under the Friendly Societies Act 1992.

Please note:

- we have an information note that may assist you in completing this application.
- any personal details you give on the form will be placed on the society's file.
- it is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to assess your application.

Please keep a copy of the form and the supporting documents for future reference.

Terms in this form

'FCA' 'PRA', 'us' and 'we' refer to the Financial Conduct Authority or Prudential Regulation Authority.

'You' refers to the person signing the form on behalf of the society or credit union.

'The 2014 Act' refers to the Co-operative and Community Benefit Societies Act 2014



Mutual Societies Application Form

Amendment of rules for a society or credit union

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print out the completed form and arrange for it to be signed by all relevant individuals.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed and dated by all relevant individuals.

3 If you make a mistake, cross it out and initial the changes; do not use correction fluid.

4 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will treat the application as incomplete. This will increase the time taken to assess your application.

5 If there is not enough space on the form, you may use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number. Any separate sheets should be signed by the signatories to the form.

6 Email a scanned copy of the signed form and supporting documents to

mutual.societies@fca.org.uk

or

send it by post to:

Mutuals Team
Financial Conduct Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS

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Details of rule changes

Society details

1.1 Society or credit union details

Register number	7212
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1.1.2 Is the society registered with the Scottish Housing Regulator or the Welsh Ministers?

- ☒ No ▶ Continue to question 1.2
- ☐ Yes ▶ Please attach consent for the rule change from the Scottish Housing Regulator or the Welsh Ministers and confirm below:
- ☐ Consent attached.

Proposed changes – Partial or complete?

1.2 Are you applying for a partial or complete amendment of rules?

- ☒ Partial ▶ Continue to question 1.3
- ☐ Complete ▶ Continue to question 1.5

Partial amendment of rules

1.3 You must attach the following:

- Two printed copies of the amendment of rules, set out as per Annex A (see Notes),
 - each signed by three members and the secretary of the society or credit union (four signatures in total)
 - with one set of rules marked 'X'
- A printed copy of the existing set of rules showing tracked changes.

☒ Attached

1.4 Is your society either:

- a registered society under the 2014 Act, or
- a credit union amending its membership qualification?

☒ Yes ▶ Please confirm that you have completed the relevant appendix:

Registered society	▶ Appendix 1 Part 1	<input checked="" type="checkbox"/> Completed
Credit union	▶ Appendix 2 parts 2&3	<input type="checkbox"/> Completed

☐ No ▶ Continue to question 1.8.

Continue to question 1.8.

Complete amendment of rules

1.5 Please confirm that you have completed the relevant appendix:

Registered society	► Appendix 1 Parts 1 & 2	<input type="checkbox"/> Completed
Credit union	► Appendix 2	<input type="checkbox"/> Completed
Friendly society	► Appendix 3	<input type="checkbox"/> Completed

1.6 You must attach the following:

- **Two** printed copies of the amendment of rules, set out as per Annex A (see Notes),
 - each signed by three members and the secretary of the society or credit union (four signatures in total)
 - with one set of rules marked 'X'

☐ Attached

1.7 Have you used model rules provided by a sponsoring body?

☐ No ► Continue to question 1.8.

☐ Yes ► Enter the name of the model being used and the name of the sponsoring or trade body who provided the model.

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Continue to question 1.8.

Signature

1.8 The secretary of the society or credit union must sign and date below


Signature	
Contact telephone	0791 391 3997
Date	

Continue to section 2.

2 Statutory declaration

2.1 An Officer of the society or credit union must sign below

I,


Name	Anne Wheldon
Of	28 Northcourt Avenue Reading
Postcode	RG2 7HA
Signature	
Position	Secretary
Date	14/9/2018

do solemnly and sincerely declare that the amendment of the rules of the said society or credit union, a copy of which is attached marked 'X', has been duly made by the society or credit union in the manner provided in its rules for the making, altering or rescinding of rules.

I make this solemn declaration conscientiously believing it to be true, and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared before:

- ☒ a solicitor; or
☐ a commissioner for oaths; or
☐ notary public; or
☐ justice of the peace:

Name	OLIVER KEW
Declared at	HEWETTS SOLICITORS 55-57 LONDON STREET READING, RG1 4PS
Signature	
Date	dd/mm/yy 14/09/2018

End of form

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Appendix 1 – Part 1

All societies registered under the Co-operative and Community Benefit Societies Act 2014 (2014 Act) must complete Part 1.

1.1 What business, industry or trade does the society carry out?

Development of a community hydroelectric power system to generate electricity from the river Thames.

1.2 Which condition of registration is the society meeting?

☐ bona fide co-operative society (go to question 1.3)

☒ conducts business for the benefit of the community (go to question 1.8)

Bona fide co-operative

1.3 How do members benefit from the business industry or trade of the society?

1.4 Is membership of the society required to obtain the benefits offered by it?

☐ Yes

☐ No

1.5 In what way do members participate in an ongoing basis in the society's primary business?

1.6 How do members democratically control the society?

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1.7 How does the society use any surplus/profit?

If the society distributes the surplus/profit to members please explain how this is to be done.

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Benefit of the community**1.8 Who are the community the society benefits?**

The people of Reading - directly. Society as a whole - indirectly.

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1.9 How does the society benefit that community?

People of Reading - opportunity to invest in a local renewable energy scheme; profits from scheme will fund community sustainability projects. Society as a whole - reduction of greenhouse gas emissions through the generation of electricity from a renewable source

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1.10 How does the society use any surplus/profit?

To fund community sustainability projects.

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Complete the next page if applying for a complete rule amendment