

Cashback Investment Club

Club Rules

1. THE AFFAIRS OF THE CLUB

- a) The affairs of the club shall be conducted in accordance with the letter and spirit of the constitution laid down by the members.

2. OFFICERS

- a) The affairs of the club shall be managed by three officers – the Chairperson, Secretary and Treasurer – who shall be elected by a simple majority of members voting at the club's Annual General Meeting (AGM). These officers shall resign at the following annual general meeting but shall be eligible for re-election. If an officer should leave the club, die or otherwise be unable to continue to carry out his/her duties, a replacement may be elected at a subsequent ordinary meeting of members. Other officers may be elected from time to time to assist the three main officers.

3. MEMBERSHIP REQUIREMENTS

- a) Members must be UK residents aged 18 or over.
- b) The club will use the facilities offered by the imutual website at imutual.co.uk ("imutual"), and hence members are required to register and maintain an active imutual account.
- c) The only funds that members can use to invest in the club are cashback amounts they have earned via imutual.
- d) Members must meet the subscription requirements as defined in Rule 7.
- e) Membership subscriptions must be paid into the club via the imutual payments system and paid out of their individual imutual cashback balance..

4. CLUB OPERATION AND MEETINGS

- a) Members must, as a minimum, use the club's discussion forum hosted at imutual to participate in club discussions. Meetings will be held "online" and meeting start and end dates will be communicated via the forum. Any member accessing the forum during such periods will be deemed to have attended the meeting for the purposes of Club rules.
- b) The club shall utilise the imutual forum's poll system for members to vote on all matters, including but not limited to investment decisions, changes to rules and election of officers. Only polls started by club officials will be deemed as 'official club polls'.
- c) Members must contribute to club discussions at least once every 3 months - "contribute" here defined as either voting in a poll, posting on the club discussion forum or some other material action related to the club's affairs.
- d) The club Secretary shall ensure that records of all key club decisions, and other matters as required by law and the club's rules, are recorded on the imutual forum.
- e) Each year an AGM shall be held via the imutual forum, in which all members shall be entitled

- to participate and vote on all matters.
- f) Dates of meetings may be varied in accordance with an ordinary resolution supported by a simple majority official club poll.
- g) A Special General Meeting (SGM) may be convened for the purposes of resolving special items of club business. All members shall be given at least 7 days notice of meeting dates.

5. ADMISSION OF NEW MEMBERS

- a) To join the club, prospective members must:
 - i. Create an account on the imutual website and register as a shareholder
 - ii. Make the minimum initial contribution via the imutual payment system
 - iii. Accept the club Rules and Constitution
 - iv. Send required documentation, such as proof of ID, directly to the Club's broker and bank as instructed by the Club Officers.
- b) Once the club receives confirmation from the Club broker and bank that the required documentation has been received and validated, membership of the club will commence.
- c) The club reserves the right to refuse admission to any person without giving a reason.
- d) The new member will have 21 days to submit all the required documents and fees. If the above conditions are not met within 21 days, the club reserves the right to cancel their membership application and return any subscription fees, minus any reasonable administration costs.

6. CESSATION OF MEMBERSHIP

- a) A member shall cease to be a member of the club if he/she is in contravention of Clause 15 of the constitution, or
- b) If a member should die or cease to be a member for any reason, the club shall pay to the member or to persons entitled by law an amount equal to the former member's share in the assets of the club as defined in Rule 10, or
- c) If the member ceases to meet the Membership Requirements as defined in Rule 3, or
- d) If a resolution to remove an individual member is passed by at a meeting of the club according to the constitution.

7. SUBSCRIPTIONS

- a) The minimum initial subscription is £10, and each member must make further subscriptions totalling at least £10 every 3 months to maintain their membership.
- b) The club allows individual members to purchase additional units by investing cashback earned via imutual, above and beyond the required subscription amount, but in the implicit understanding that every member shall retain equal voting powers on all matters.
- c) Each member's holding in the club will be calculated according to the club's standard unit system. Within the first 7 days of each calendar month, the treasurer will re-calculate each member's number of units, based on the amount and date of subscriptions paid in by each member up to the last day of the previous month. Payments made since the previous calculation will purchase an appropriate number of units dictated by the club's declared unit value for the previous month, subject to club brokerage if such should be in force at the time.
- d) The Treasurer shall notify, on at least a quarterly basis, if any member is in arrears.
- e) If a member hasn't paid in at least £50 during the preceeding 15 months of their membership, they are assumed to have resigned from the club and shall have their holding's value credited as defined in Rule 10.

8. CAPITAL ACCOUNT

- a) The club's assets shall be valued by the Treasurer on a monthly basis and a report published for all members to view by the last day of each month. The value of investments shall be based on 'middle' closing prices recorded in The Financial Times or another reliable source of share price information.
- b) The Treasurer's monthly report shall include as a minimum:
 - i. the current value of each of the club's investments together with their total value;
 - ii. club expenditure for the month, year total and expectations for the following month;
 - iii. a statement of unpaid accounts and cash in hand on the aforesaid day;
 - iv. the total value of the club's assets and the current unit value which shall be determined by dividing the total net asset value by the total number of units issued to members.
- c) The club is not obliged to publish to the general membership the individual unit holdings of each member, but reserves the right to do so where this assists the operation of the club.

9. MEMBERS' ACCOUNTS

- a) An account shall be kept by the Treasurer for each member of the club, updated on a monthly basis, showing:
 - i. the total investment made by that member by means of joining fee, monthly subscription and additional purchases of units;
 - ii. the total of withdrawals made by each member who has sold units back to the club;
 - iii. the total number of units currently held by the member and the current value of his/her holding.

10. MEMBER LEAVING THE CLUB

- a) Resignations of membership must be submitted via the imutual forum, to be received by the 21st of the month for exit at the end of that month.
- b) Members leaving the club, whether by resignation or as the result of termination of membership under Rule 6, shall sell back to the club their entire holding of units.
- c) Club members will be encouraged to buy additional units, to the value of leaving members holdings to avoid enforced sale of club assets, in accordance with Rule 11.
- d) The amount to be paid to a member leaving the club shall be calculated by multiplying the total number of units held by the member by the unit value declared by the Treasurer in his monthly report at the end of the month at which the resignation became effective, subject to deduction of club brokerage if such should be in force at that time and any legal fees incurred by the club in connection with the withdrawal of the member. Any surplus cash held to the member's credit will be added.
- e) Payment to the member who has left the club shall be made as soon as possible and in any case within 90 days of the resignation becoming effective.
- f) Payments to members will be made by crediting the appropriate amount back to their imutual cashback account, via imutual's bank account.

11. WITHDRAWALS

- a) Members can make up to one partial withdrawal request per year of up to 75% of their holding,

and retain their membership.

- b) If the total withdrawals (including those caused by resignation) by members in any one month exceed more than 5% of the Club fund the Officers reserve the right to charge an exit fee of up to 2.5% of the value of each member's withdrawal request for that month.

12. RUNNING COSTS

- a) No member of the club shall be compensated for providing services to the club. Expenses incurred in managing the club shall be recorded in the club's cash account which shall be funded from the club's subscription and other income. The Treasurer shall maintain a full and accurate record of all expenditure to submit to the auditors annually.

13. BANKING

- a) The club's bank/building society shall be determined annually at the AGM but may be changed by agreement of a majority vote at a SGM called in accordance with Rule 4.
- b) All payments made out of the club's account(s) shall be authorised by at least two of the three officers. Where possible, one of the authorised officers should be the Chairperson. In the event of one authorised signatory being unavailable for an extended period, the officers of the club may authorise a further signatory for the period involved. All income shall be paid direct into the club's bank/building society account(s) except where members have approved an arrangement whereby their stockbroker retains funds from the sale of one or more investments pending the purchase of other investments.
- c) The club's bank/building society shall be instructed not to grant any overdraft facilities to the club.

14. BROKERS

- a) The club's brokers shall be instructed that:
 - i. Only named club officers are authorised to buy or sell investments on behalf of the club;
 - ii. No member is authorised to commit the club beyond the cash held by the club;

15. COMMITMENTS

- a) No club member shall make any commitment on behalf of the club or commit club funds without written authorisation to do so.

16. AMENDMENTS OF RULES

- a) The rules of the club may only be changed by agreement of not less than a 75% vote in favour by current members of the club.

17. MINUTES

- a) Minutes of the club meetings shall be kept and shall be available for inspection by any member of the club at any reasonable time.

18. DISPUTES

- a) Any disputes as to the interpretation of these rules shall be decided by the Chairperson unless notice is properly served requesting that the matter should be resolved by a SGM.
- b) Any disputes relating to the valuation of a member's share in the assets of the club or his/her entitlement to that share shall be decided by a chartered accountant (to be appointed by the Chairperson of the club) of at least seven years' standing whose certificate of decision shall be final. Fees incurred in obtaining this decision shall be paid by the party to the dispute against whom the decision is made or, in the case of this not being clear, the fees shall be shared between the club and the member or ex-member concerned.

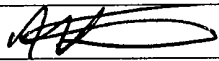
19. WINDING UP

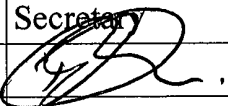
- a) The club shall be wound up and all assets divided among members (after payment of club expenses) in accordance with the number of units held by each member if a resolution to that effect is passed by at least 75% of the members at a SGM of the club.

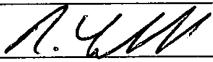
20. TAX LIABILITY

- a) Membership of the club implies acceptance of proportional tax liability on trading profits made by the club in any tax year.

Those signing below agree to form the above club in accordance with these rules and the associated constitution.

Name:	Andrew Kitchen
Position:	Chairperson
Signature:	
Date:	01/05/14

Name:	David Morgan
Position:	Secretary
Signature:	
Date:	01/05/14

Name:	Richard Yendall
Position:	Treasurer
Signature:	
Date:	01/05/14