

Membership Policy

1 Market Cross UK Limited

Market Cross UK Limited, known hereafter as the Co-operative, is a bona-fide multi-stakeholder co-operative. We aim to carry out our business in accordance with the Co-operative principles in order that we may achieve our mission:

“To provide our clients with a unique cost effective sole contractor solution, engaging our comprehensive pool of professional members fairly and equitably.”

The Co-operative has the aim of building membership within its stakeholder groups, and ensuring that its membership fully reflects the diversity of those groups and of the wider community.

2 Membership Policy - Introduction

This Policy is representative of the Membership Policy outlined in the Registered Rules (Governing Document) “Rules of Market Cross UK Limited”. This Policy does not replace the Registered Rules and shall at all times be consistent with the Registered Rules. In the event of any inconsistency, the Registered Rules shall apply.

3 Categories of Membership

There are two main categories of membership: User Members and Non-User Members.

3.1 User Members

User Members play the principal roles in the functioning of the Co-operative and form a majority representation on the Board. There are three classes of User Member and these are as follows:

- 1) Employees (Member Class 1);
- 2) Individual Users (Member Class 2);
- 3) Corporate Users (Member Class 3).

User Members are core to the financial success of the Co-operative as they are the most significant source of turnover in the organisation. The individual User Member classes are described below.

3.1.1 Employee Members

Employee Members are employees of the Co-operative who automatically become members once they have completed their probation period. They play a core role in the day to day running of the Co-operative and are either part-time or full-time. They draw remuneration from the organisation, are eligible to receive sick pay and may be eligible to receive pension contributions.

3.1.2 Individual Users

Individual Users are members who join the Co-operative as sole traders or ordinary business partnerships and use the Co-operative as a method of generating business for both their company and the Co-operative. Individual Users will be expected to direct their trade through the Co-operative in a manner that is for the mutual benefit of both the member and the Co-operative (see Section 6.6).

3.1.3 Corporate Users

Corporate Users are members who join the Co-operative as limited liability companies, limited partnerships or limited liability partnerships and use the Co-operative as a method of generating business for both their company and the Co-operative. As with Individual Users, Corporate Users will be expected to direct their trade through the Co-operative in a manner that is for the mutual benefit of both the member and the Co-operative (see Section 6.6).

3.2 Non-User Members

Non-user members (Member Class 4) are individuals or organisations who play an important part in growth of the Co-operative. Investors are asked to invest either their time or money into the Co-operative and as such include, among other groups, financial bodies, clients, volunteers, social investors and other co-operatives.

4 Basic Membership Rights

Voting Strengths and Probation Periods are detailed for each membership class in [Table 1](#) below.

Member Class	Class Number	Voting Strength (%)	Probation Period (months)
Employees	1	25	6
Individuals	2	25	6
Corporate	3	25	6
Investors	4	25	n/a

Table 1 – Basic Rights of Membership Classes

4.1 Voting Strengths

Voting strengths and their scope are detailed in the Registered Rules. In summary, the voting power of all shares are based upon the principle of one member one vote, irrespective of the number of shares owned by a member.

4.2 Probation Period

A probation period of 6 months applies once a membership application has been accepted. During the probation period a member is unable to exercise their voting rights or to become eligible for co-opting or election to the Board. Non-User members have permanently limited voting rights (unable to vote on certain issues) and are therefore not subject to a probation period.

5 Subscription Fees and Shares

Subscription fees and ordinary member share requirements are detailed for each membership class in [Table 2](#) below.

Member Class	No. of Employees	Annual Subscription Fee (inc. VAT)	Ordinary Member Share Value	Min. Quantity of Shares
Employees	n/a	None	£1	1
Individuals	n/a	£79	£1	1
Corporate	< 4	£79	£1	1
	4-10	£149	£1	1
	>10	£289	£1	1
Investors	n/a	None	£1	50

Table 2 - Subscription Fees and Shares

5.1 Annual Subscriptions

Annual subscriptions vary according to the membership category and additional criteria (as detailed in Table 2). Typically the annual subscription will only apply to User Members. Subscription rates will be revised annually and the date of subscription will be 1st September each year. Subscriptions undertaken on or after 1st October will be priced pro-rata rounded up to the nearest part completed month. Subscriptions are non-refundable.

5.2 Member Shares

The purchase of a minimum of one £1 ordinary member share is compulsory for User Members. Ordinary member shares are non-transferable. For Investors, who do not pay an annual subscription, a minimum financial investment of 50 x £1 ordinary member shares is required.

The maximum shareholding for any person is 100,000, or the maximum permitted by law, whichever is lower. Shareholdings in excess of 50,000 must be authorised by the Board.

5.3 Other Shares

Different classes of share (other than Ordinary Member Shares) are available to particular stakeholders and these have distinct rights and powers. Information on shares is available on the relevant share prospectus or on request to the Board.

Transferable shares may only be allotted by the Board in accordance with a resolution passed at a general meeting.

6 Membership Conditions

6.1 Responsibilities of Membership

To be and remain eligible for membership, each member must accept and conform to the Principles, Rules, Codes of Practice, Programmes and Policies of the Co-operative. Where members undertake a trade via the Co-operative those members must trade together under the umbrella of the Co-operative.

6.2 Basic Membership Criteria

Members must satisfy the following conditions of membership:

1. Be at least 16 years of age;
2. Accept and conform to the Principles, Rules, Codes of Practice, Programme and Policies of the Co-operative;
3. Promote the Principles and Programme of the Co-operative;
4. Be able to accept communications by electronic means (email);
5. Make payment for the required number of ordinary membership shares;
6. Make payment for the annual membership subscription (where applicable) in full on the due date.

6.3 Membership Conduct

All members will follow the Co-operative Code of Conduct. No member of the Co-operative shall engage in a sustained course of conduct prejudicial, or in any act grossly detrimental, to the Co-operative. Such conduct shall also be deemed to include discrimination against groups and/or individuals on the basis of sex, sexual orientation, marital status, disability, colour, race, ethnic origins or religion. Any dispute as to whether a member is in breach of this provision shall be determined by the Board.

6.4 Undefined Membership

A member that has membership under more than one member class will be requested to withdraw, cancel or transfer shares so that they have membership in one class only. If after three months this has not been done, the secretary may cancel the minimum number of shares necessary in order to ensure compliance.

6.5 Trading Outside of the Co-operative

Membership of the Co-operative does not affect a Member's established operations of trade and Members will be expected to continue with their trades and maintain their relationships with their existing clients outside of the Co-operative in their usual way. Such work will be declared to the Co-operative in order to avoid conflicts of interest and comply with the Co-operative Rules of Engagement. However, new work with existing or other clients gained clearly by the merits of membership with the Co-operative must be carried out under the Co-operative umbrella (see below).

6.6 Trading Within the Co-operative

Work sourced by the Co-operative or work passed to the Co-operative by User or Non-User Members will be carried out under the Co-operative umbrella via the Co-operative trading system. Under this situation User Members are expected to trade as members of the Co-operative (as a single entity) and follow the principles, policies and programmes of the Co-operative. This includes new work that has formed as a direct result of other work carried out under the Co-operative. This does not apply to work carried out by the Co-operative for User or Non-User Members where the Co-operative is under contract by those User or Non-User Members to carry out that work.

6.7 Use of the Co-operative's Logo (under Trade Mark)

Members are allowed, and are encouraged, to use the Market Cross logo when trading and advertising as members of the Co-operative. Use of the Market Cross logo or similar representation outside the authorised scope may be subject to expulsion from membership.

7 Membership Application Procedure

7.1 Application Process

7.1.1 User Member Status

Application for membership is made by completing a membership application form (MX/FM/001) and sending it to the registered address of the Co-operative. The Board will act upon the application within thirty (30) days from the date of its filing. This application method is open to persons wishing to become either Individual User members or Corporate User members (see Section 3.1 about User Members).

Application for Employee Membership is made by either responding to an advertisement of employment within the date of the advertised deadline or by sending a speculative general employment enquiry to the registered address of the Co-operative.

7.1.2 Non-User Members

Application for Investor Membership is made by contacting a member of the Board. An existing member of the Co-operative may initiate the enquiry with the Board on the applicant's behalf.

7.2 Eligibility

The Board will consider every properly completed application. The Board will take any special circumstances of a member into account when considering acceptance of membership.

7.3 Declaration

All Members shall be required to sign a declaration as follows:

"I hereby apply for my company to join Market Cross UK Limited as a User Member. Once admitted as my company's formal representative I will agree, on behalf of my company, to accept and conform to the Principles, Programmes, Rules, Codes of Practice and Policies of Market Cross UK Limited. I will not knowingly expose Market Cross UK Limited or its clients to undue commercial risk or unacceptable health and safety risk. I accept that any penalties, financial or otherwise, incurred by Market Cross UK Limited as a result of my company's undertakings may be passed on to my company and may result in the termination of my company's membership. I will uphold the good reputation of Market Cross UK Limited at all times and I will promote the Principles and Programmes of Market Cross UK Limited as will be required of me from time to time."

8 Termination of Membership

Termination of membership may be automatic, voluntary or involuntary, which shall have the effect of extinguishing all rights of a member in the Co-operative. On termination of membership the share(s) belonging to that member will be withdrawn (bought back by the Co-operative) under the conditions described in the Registered Rules.

The Board of Directors shall notify in writing any member who is being considered for membership termination. The Board shall give the member the opportunity to be heard at a general meeting.

Automatic termination - a member shall be deemed to have lapsed from membership if the member has failed to renew his or her membership within 6 months of the membership subscription falling due.

9 Register of Members

A register of members is kept at the registered office, and includes:

1. the name and address of every member;
2. the number and class of shares held by each member*;
3. any loans or other property held by members*;
4. the date on which the member's name was entered on the register, and the date on which they ceased to be members; and
5. the names and addresses of Board members and officers of the Co-operative, the positions held by them, and the dates on which those appointments began and ended.

Any change of details must be communicated to the Secretary within 14 days from the date of change.

*The information in (2) and (3) above will be kept confidential and will only be used for administrative necessity.