

# The Manufacturing Co-operative Limited

## Members' Agreement

AN AGREEMENT made on ..... [date] between

1. The Manufacturing Co-operative Limited (“the **Co-operative**”) whose registered office is at Cranfield University, Building 30, Cranfield, Bedfordshire MK43 0AL and
2. .... (“the **Member**”) whose [address][registered office] is .....

BY WHICH IT IS AGREED as follows: -

### Interpretation

1. In this Agreement:

“days” means calendar days;

“the Directors” means the Board of Directors for the time being of the Co-operative;

“Rules” means the registered rules of the Co-operative;

“year” means an accounting year of the Co-operative;

“in writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied by Electronic Means or otherwise;

the singular includes the plural and the converse applies

sub-headings are for ease of reference only and do not affect the meaning of any provision of this Agreement.

### Commitment

#### **TRADING SERVICES**

2. In accordance with its Rules, the Co-operative shall provide ‘Trading Services’ by working with the Member and its other members to match the specialist skills of its members (UK manufacturing small businesses) with the needs of Original Equipment Manufacturers by delivering innovative supply chain solutions. The Co-operative shall work with its members to identify appropriate tenders for the Membership, form a bid consortium and support such Members to formulate and bid for contracts.

3. The Co-operative shall work with the Member and its other members to develop the capabilities required deliver goods and services to the standards required by OEMs in the Co-operative's target market sectors.
4. In respect of any particular marketing of goods or services the Co-operative, may at its sole discretion, decline to act as the Member's principal if the Co-operative considers this to be necessary or expedient in the interests of the Co-operative, the Member or the members generally.
5. On the terms set out below, the Member must endeavour to participate in the Trading Services provided by the Co-operative in accordance with clause 24. .
6. All information regarding the Co-operative and all prices and discounts offered or obtained in trading through the Co-operative are to be treated as strictly confidential by all personnel involved in the Member's business (including employees, agents and advisers) and are not to be disclosed to any person outside the Member's business.

## **GENERAL PROVISIONS RELATING TO ALL SERVICES PROVIDED BY THE CO-OPERATIVE UNDER THIS AGREEMENT**

### Information

7. The Member shall provide to the Co-operative such annual returns and other information, estimates, and forecasts regarding its business and in such form as the Co-operative reasonably requires from time to time by notification to the Member. This may include information relating to other areas of the Member's business particularly where it is a Member of a group in order to evidence the financial probity of the Member.

### Default

8. Without prejudice to any other remedies available for breach of contract, if the Member or the Co-operative defaults in any obligation to the other and fails to comply with a written notice from the other party warning against a further default of a similar nature or, if it is practicable, requiring the default to be remedied within such reasonable period as the notice specifies then that other party may terminate this Agreement by giving the defaulting party not less than 7 days' written notice to that effect.

### Right of Set-Off

9. The Co-operative shall have a lien on all the Member's property in the Co-operative's possession for all amounts due at any time from the Member and may use, sell or dispose of that property as agent for and at the expense of the Member and apply the proceeds in and towards payment of such amounts on twenty-eight days' notice in writing to the Member. On accounting to the Member for any balance remaining after payment of any amounts due to the Member and the costs of sale or disposal the Co-operative shall be discharged of any liability in respect of the Member's property.

### Charges

10. The Co-operative's scale of charges for its services in acting for the Member under this Agreement (and which are notified to members each year upon delivery to members of the subscription demand) shall be decided from time to

time by the Directors to cover the Co-operative's costs in providing those services, including its overheads and such provision for contingencies and reserves as the Directors consider prudent.

#### Levies

11. If the Directors consider that any expenditure to be incurred by the Co-operative or by one or more of its members concerns a matter of importance to the interests of the members generally or a specific category of members and that provision for that expenditure cannot or should not be made out of funds provided by subscriptions and charges otherwise payable under this Agreement but should properly be contributed to by all members or by that category of them, then the Directors may set a levy payable by all members or by that category of them as a sum per member and or a sum calculated on a specific scale and the Member shall pay to the Co-operative the due amount of any such levy within fourteen days of receipt of invoice. The Directors shall consult the members who are, or are likely to be involved in paying any such levy in such manner as the Directors consider feasible in the circumstances before imposing the levy and later on questions of expenditure to be funded by it.

#### Indemnity

12. The Member shall indemnify the Co-operative against all damages, costs, expenses and other payments reasonably incurred by it in connection with claims by third parties arising from transactions in goods and/or services acquired or marketed for the Member or members under this Agreement.

#### Guarantees

13. The Co-operative is entitled to require the Member to provide a written guarantee and indemnity (in a form determined by the Co-operative) by one or more individuals in respect of the Member's financial liability to the Co-operative.

#### Members' Business Interests

14. If the Member as a sole proprietor or, being a partnership, any partner in it or, being a corporate body, any Director or Secretary of it is or becomes the proprietor of a business with which the Co-operative is likely:
  - a) To trade on behalf of the Members or on its own account, or
  - b) To be in competition or becomes a partner in, or Director or Secretary of a corporate body engaged in, any such businessthen the Member shall notify the Co-operative in writing within 28 days .

#### Changes in Control of Member's Business

15. If the Member is a partnership or a company then it shall notify the Co-operative in writing of every change in the identity of the partners or, as the case may be, the Directors and other officers of the company within twenty-eight days after the occurrence. Similarly any change in the ultimate ownership of a corporate Member should be notified within the same period.

Co-operative's Right to Terminate

16. Within two months after receiving notification from the Member under clauses 36 or 37, the Co-operative may terminate this Agreement with immediate effect by giving the Member written notice to that effect.
17. Upon termination of this Agreement for any reason, the Member must continue to abide by all the provisions of this Agreement until all the Member's obligations both past and future to the Co-operative are satisfied unless the Member is able to arrange a mutually acceptable transfer away from the Co-operative.

Insolvency

18. Either party may terminate this Agreement at any time in the event that, in relation to the other party:
- a) an encumbrancer takes possession or a receiver is appointed of the whole or any part of his or its property or undertaking;
  - b) they make any composition or scheme of arrangement with creditors;
  - c) they become an undischarged bankrupt;
  - d) it becomes subject to an administration order or goes into liquidation and if the Member is a partnership then the Co-operative's right to terminate under this clause shall arise on the occurrence of any of the above events to the partnership or to any partner.

Termination in event of ceasing to be a member of the Co-operative

19. Subject to clause 39, this Agreement shall terminate with immediate effect in the event that the Member ceases to be a member of the Co-operative

Amendments

20. This Agreement may be amended by a resolution approved by the Board and passed by a two-thirds majority of members of the Co-operative voting at a meeting of which every member has been given not less than twenty-one days' written notice specifying the amendments.

Executed for and on behalf of The Manufacturing Co-operative Limited by:

[NAME OF DIRECTOR]                      Director                      .....

[NAME OF DIRECTOR]                      Director/Secretary                      .....

**[if the Member is a Company]**

.....

Signed by [NAME OF DIRECTOR] for and on behalf of [NAME OF COMPANY]

**[if the Member is a Co-op / CBS]**

Executed for and on behalf of the [name of Member] by:

[NAME OF DIRECTOR] Director .....

[NAME OF DIRECTOR] Director/Secretary .....

**[if the Member is an individual]**

..... [print name]