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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: **Glasgow Housing Association Limited**
Registration number: **2572 RS**

Date: **15 December 2014**



X

All previous rules rescinded

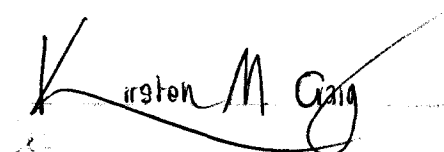
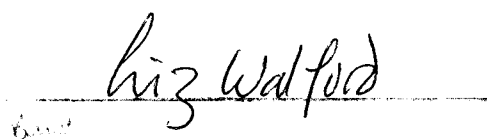
RULES

of

THE GLASGOW HOUSING ASSOCIATION LIMITED
(Registered Number: SP2572RS)

Registered under the Industrial and Provident
Societies Act 1965

Based on Model Rules (Scotland) 1998
Published by the
Scottish Federation of Housing Associations



INTRODUCTION

Name

1.1 We are The Glasgow Housing Association Limited (hereinafter referred to as "GHA").

Objects

2. Our objects are:

2.1 to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and / or the provision of care;

2.2 any other objects or purposes allowed under Section 58 of the Housing (Scotland) Act 2001 (as amended by the Housing (Scotland) Act 2006 and the Registered Social Landlords (Purposes or Objects) (Scotland) Order 2006) which is charitable both for the purposes of section 7 of the 2005 Act and also section 505 of the Income and Corporation Taxes Act 1988; and

2.3 to operate principally in the administrative area of Glasgow City Council.

3.1 Our permitted activities and powers will include anything which is necessary, incidental, conducive and / or expedient to help us achieve the objects set out in Rule 2.

3.2 Without prejudice to the generality of the provisions of Rules 2 and 3.1, and without restricting any powers GHA has, GHA shall have power to provide land, amenities and services, or provide, construct, repair or improve buildings, for the benefit of GHA's residents and others, with the purpose of promoting economic, social and environmental regeneration in the areas of deprivation in which GHA operates.

3.3 Subject to any statutory requirements applicable to GHA and without limiting its general powers, GHA shall have power to:

3.3.1 acquire land or any interest in land;

3.3.2 dispose, in such manner as the Board see fit, of land and of other assets or interests of GHA, present or future, including by way of heritable security, floating charge, security assignment, mortgage or charge;

3.3.3 subject to Rule 16, borrow money or issue loan stock for the purposes of GHA on such terms as GHA thinks fit;

3.3.4 insure the property of GHA against any foreseeable risk and take out other insurance policies to protect GHA as the Board considers prudent;

3.3.5 to insure the Board Members against the costs of a successful defence to a criminal prosecution brought against them as Board Members or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty; and

3.3.6 (i) to purchase or otherwise acquire, or to encourage or promote in any way, support or aid the establishment and development of: any Subsidiary; any joint venture established by GHA, or by a Subsidiary, with another entity or entities; or any Relevant Organisation;

(ii) to subscribe to, purchase, or acquire in any other way, any incorporeal property (including but without prejudice to the generality of the foregoing any stock, share, security, debenture or debenture stock in each case whether preferred, deferred or secured or unsecured) of any Subsidiary or Relevant Organisation; and

(iii) to enter into any Guarantee in respect of or to secure by heritable security, mortgage, charge, floating charge, lien or other security which GHA is permitted by law to grant, upon the whole or any part of GHA's property or assets, the obligations and liabilities of: any Subsidiary; any joint venture established by GHA, or by a Subsidiary, with any entity or entities; or any Relevant Organisation.

This guarantee power is valid notwithstanding, and is in no way limited by, any limits on the borrowing or lending powers of GHA (including the foregoing limits) contained in these Rules or otherwise.

CONDUCT OF BOARD AND GHA

- 3.4 The Board shall exercise the powers of GHA set out in Rule 3.3.6 having regard to any applicable statutory and/or regulatory requirements to which GHA is, from time to time, subject.
- 3.5 The Board, the Committees, members of the Board and Committees and Office Bearers shall, except insofar as inconsistent with these Rules, conduct itself, its and their meetings and themselves in accordance with the Standing Orders.
- 4. GHA will:
 - 4.1 have regard to the requirements of public accountability;
 - 4.2 use any money it receives carefully and properly; and
 - 4.3 consider the welfare of the people who live in the properties it is responsible for.
- 5. Subject, and without prejudice, to the terms of Rule 3.1, GHA will not trade for profit.
- 6. GHA's office is at Wheatley House, 25 Cochrane Street, Glasgow G1 1HL.

If this address changes, GHA will inform the Financial Conduct Authority and the Scottish Housing Regulator in writing within 14 days.

MEMBERSHIP

- 7. The Members of GHA shall be: (1) those people who hold a share in GHA and whose names are entered in the Register of Members referred to in Rule 61; and (2) the Parent.
- Aside from the Parent, only Board Members who have been elected or appointed under these Rules shall be capable of entry into the Register of Members.

APPLYING FOR MEMBERSHIP

- 8. To apply for membership, you must send an application form and one pound to the Company Secretary at our registered office.
- 8.1 The Parent may at any time apply for a share in GHA in terms of these Rules and shall make payment of one pound to the Company Secretary at our registered office. Upon receipt by the Company Secretary of an application from the Parent for a share in GHA, the Parent shall immediately become a Member of GHA and shall be issued one share in GHA (the "Parent Share") and its name shall be entered in the Register of Members under the category of "Parent Member" within seven working days.
- 8.2 If you are appointed or elected as a Board Member, you will become a Member of GHA and your name will be included in GHA's Register of Members referred to in Rule 61 within seven working days. You will then be issued one share in GHA.
- 8.3 Notwithstanding the terms of Rule 7, the Parent may in its absolute discretion admit any person as a Member of GHA. No person may be admitted as a Member of GHA without the prior written consent of the Parent.
- 8.4 Subject to Rule 40.7:-
 - 8.4.1 if you are a Tenant Board Member your membership will take effect from the end of the General Meeting or Board Meeting at which you have been duly elected or appointed;

- 8.4.2 if you are an Independent Board Member your membership will take effect from the end of the General Meeting or Board Meeting at which you have been duly elected or appointed; or
- 8.4.3 if you are a Council Board Member your membership will take effect upon receipt by GHA of formal notification of your appointment by the Council in terms of Rule 34.6.
9. You must be at least 18 years old to apply for membership.
10. No Member can hold more than one share in GHA.
11. If you change your address, you must let GHA know by writing to GHA's Company Secretary at GHA's registered office immediately.

ENDING YOUR MEMBERSHIP

- 12.1 You can end your membership of GHA by giving the Company Secretary at GHA's registered office one month's notice in writing.
- 12.2 If the Board is satisfied that you are no longer a serving Board Member following: resignation pursuant to Rule 12; removal in the case of a Council Board Member pursuant to Rule 34.6; retirement pursuant to Rule 36; removal pursuant to Rule 39; or disqualification pursuant to Rule 40, GHA will end your membership and cancel your share.
- 12.3 Your membership of GHA may be ended by written notice given by the Parent to the Member concerned and to the Company Secretary. A Member whose membership of GHA is so ended shall cease to be a Member of GHA immediately upon the giving of such written notice
- 12.4 If your membership of GHA is ended in terms of this Rule 12 the value of the share will then belong to us with effect from the date of a Board resolution to that effect. The ending of your membership will be recorded in the Register of Members.

SHARE CAPITAL

Shares

13. GHA's share capital will be raised by issuing one-pound shares to Members. Shares cannot be held jointly.
14. There is no interest, dividend or bonus payable on shares.

Transferring shares

- 15.1 If you die or end your membership or have your membership withdrawn, we will cancel your share. The value of the share will then belong to us.
- 15.2 Notwithstanding Rule 15.1, the Parent Share may not be sold or transferred but may, on the written request of the Parent, be cancelled.

OUR BORROWING AND LENDING POWERS

- 16.1 GHA can borrow money for GHA as long as GHA's total borrowing at any time is not more than £1.5 billion (or, if the Euro or any other currency has been adopted as United Kingdom and/or Scottish currency, its equivalent in Euros or that other currency) or such larger sum as GHA, with the prior written consent of the Scottish Housing Regulator and the Parent determines from time to time in general meeting.
- 16.2 GHA can with the prior written consent of the Parent lend money or provide credit or assistance to any person, including, without limitation: the Parent; any Subsidiary; any joint venture established by GHA, or by the Parent or a Subsidiary, with another entity or entities; or any Relevant Organisation, on terms that the Board deems appropriate at the time of entering into the transaction. The Board shall exercise the

powers of GHA set out in this Rule 16.2 having regard to any applicable statutory and/or regulatory requirements to which GHA is from time to time subject.

- 16.3 In respect of any proposed borrowing for the purposes of Rule 16.1 the amount remaining undischarged on any deferred interest or index-linked loan previously borrowed by GHA or any deep discounted security shall be deemed to be the amount needed to repay such borrowing in full if the pre-existing borrowing became repayable in full at the time of the proposed borrowing.
- 16.4 For the purposes of Rule 16.1 in respect of any proposed borrowing intended to be index-linked or on any deep discounted security the amount of borrowings shall be deemed to be the proceeds of such proposed borrowings that would be receivable by GHA at the time of the proposed borrowing.
- 16.5 GHA will not enter into any loan or hedging arrangements providing for GHA to pay a rate of interest higher than the then current market rate of interest as determined by the Board having regard to the terms of the relevant loan or hedging arrangements.
- 16.6 GHA shall have the power, subject to such consents as may be required by law, to enter into and perform a Rate Cap Transaction, or series of Rate Cap Transactions, or to enter into a Collar Transaction or series of Collar Transactions or an Interest Rate Swap Transaction or series of Interest Rate Swap Transactions (each a "Transaction") where in relation to any such Transaction the following conditions are satisfied namely that:-
- 16.6.1 the relevant instruments relate solely to amounts denominated in Sterling (or if the Euro has been adopted as United Kingdom currency, its equivalent in Euros);
- 16.6.2 the relevant Transaction provides (in the case of an Interest Rate Swap Transaction) for GHA to undertake to pay a specified fixed rate on an applicable notional sum, but not otherwise;
- 16.6.3 the relevant Transaction in the case of a Collar Transaction provides for the simultaneous buying of an instrument relating to a rate cap and the selling of an instrument providing for a floor at a lower strike price to such cap;
- 16.6.4 the counterparty to the transaction shall fulfil such criteria in relation to its status, credit rating and other matters as the Board shall consider appropriate from time to time;
- 16.6.5 the Board considers the entry by GHA into such transaction(s) to be in the best interests of GHA.

Provided that at the time of entry into any such Transaction(s) the sum of the Calculation Amount of any Transaction previously entered into and remaining in effect and the Calculation Amount of the proposed Transaction(s) shall not exceed the aggregate amount of GHA's Variable Rate Borrowings then drawn down plus the amount of any existing contractually committed loan facilities not yet drawn down in respect of amounts which GHA intends at the Effective Date when drawn will become Variable Rate Borrowings, having regard at the Effective Date to GHA's obligations to repay Variable Rate Borrowings and the amount of Variable Rate Borrowings which will be outstanding at any time on or prior to the proposed Termination Date.

- 16.7 Before exercising its power under Rule 16.6 GHA shall obtain and consider proper advice on the question whether the Transaction is satisfactory having regard to:-
- (i) the possible fluctuations in the rate of interest payable by GHA on its Variable Rate Borrowings during the term of the relevant Transaction;
 - (ii) GHA's ability to meet its payment obligations under such Borrowings during the term of the relevant Transaction(s) if such Transaction was or were not entered into;
 - (iii) the payment obligation under the relevant Transaction(s);
 - (iv) the terms and conditions of the relevant Transaction(s); and
 - (v) GHA's actual and projected annual income and expenditure position.

The Board shall also have regard, before exercising GHA's power under Rule 16.6, to any applicable regulatory guidance.

- 16.8 For the purposes of Rule 16.7 proper advice shall mean the advice of a person who is reasonably believed by the Board to be qualified by his ability and practical experience of financial matters and the relevant Transaction, such advice may be given by a person notwithstanding that he gives it in the course of his employment as an officer.
- 16.9 A person entering into a relevant Transaction with GHA who has received a written certificate signed by the Company Secretary confirming GHA's compliance with Rules 16.6 and 16.7 shall not be concerned to enquire further whether or not GHA has complied with the provisions of Rules 16.6 and 16.7 and such Transaction shall be valid at the date it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not the provisions of Rules 16.6 and 16.7 have been complied with.

For the purposes of this Rule 16:

"Calculation Amount", "Effective Date", "Term" and "Termination Date" have the respective meanings given in the 2000 International Swaps and Derivatives Association (ISDA) Definitions as amended from time to time;

"Variable Rate Borrowings" mean any borrowing by GHA pursuant to Rule 16.1 in respect of which the rate of interest has not been fixed for a term in excess of twelve months and the term "fixed" shall exclude any borrowing where the rate of interest is indexed in accordance with a retail price index or other published index;

"Rate Cap Transaction", "Collar Transaction" and "Interest Rate Swap Transaction" mean respectively any transaction so designated within the meaning of the category "Swap Transaction" as defined in the 2000 ISDA Definitions as amended from time to time;

"Euro" means the unit of single currency of the European Union.

- 16.10 GHA will not accept money on deposit from any party. (For the avoidance of doubt this Rule 16.10 will not prevent GHA accepting a deposit in any transaction other than a banking transaction).
- 16.11 The GHA Board can with the prior written approval of the Parent change conditions under which GHA borrow or lend money, within the conditions laid out above.
17. Subject and without prejudice to the terms of Rule 16.2, GHA shall not lend money to Members.

GENERAL MEETINGS

Annual General Meeting

- 18.1 GHA will hold a general meeting known as the annual general meeting within six months of the end of each financial year of GHA. The functions of the annual general meeting are to:
- 18.1.1 present the Chair's report on our activities for the previous year;
- 18.1.2 present the accounts, balance sheet and auditor's report;
- 18.1.3 elect or appoint Board Members as set out in Rule 37;
- 18.1.4 appoint the auditor for the following year as set out in Rules 68 and 70; and
- 18.1.5 consider any other general business included in the notice calling the meeting.

Special General Meetings

- 19.1 All general meetings other than annual general meetings are known as special general meetings. The Company Secretary will call a special general meeting if:
 - 19.1.1 the Board requests one;
 - 19.1.2 at least four Members request one in writing; or
 - 19.1.3 the Parent requests one.
- 19.2 Whoever asks for the meeting must at the same time give the Company Secretary details of the business to be discussed at the meeting.
- 19.3 If a special general meeting is requested, the Company Secretary must within ten days of having received the request give all Members notice calling the meeting. The meeting must take place within 28 days of the Company Secretary receiving the Members' request. The Company Secretary should decide on a time, date and place for the meeting in consultation with the Board or the Chair, but if such consultation is not practicable the Company Secretary can on his/her own decide the time, date and place for the meeting.
- 19.4 If the Company Secretary fails to call the meeting within ten days, the Board or the Members who requested the meeting can arrange the meeting themselves.
- 19.5 A special general meeting must not discuss any business other than the business referred to in the notice calling the meeting.

Notice for Meetings

- 20.1 The Company Secretary will call all general meetings by notice in writing to every Member (including the Parent) which will be posted or delivered at least 16 days before the date of the meeting. This notice will give details of:
 - 20.1.1 the time, date and place of the meeting;
 - 20.1.2 whether the meeting is an annual or special general meeting;
 - 20.1.3 the business for which the meeting is being called.
- 20.2 The Board may ask the Company Secretary to include with the letter or send separately to Members any relevant papers or accounts. If a Member (other than the Parent, which must receive notice of a meeting in order for the proceedings of that meeting to be valid) does not receive notice of a meeting or papers relating to the meeting, this will not stop the meeting going ahead as planned.
- 21. The proceedings of a meeting shall not be invalidated by the inadvertent failure of GHA to send a notice calling the meeting to any Member (other than the Parent, which must be sent notice of a meeting in order for the proceedings of that meeting to be valid).

PROCEDURE AT GENERAL MEETINGS

- 22.1 For a meeting to take place, at least seven Members (including the Parent) must be either present in person at the meeting or represented at the meeting by a representative approved in terms of Rule 25.1.
- 22.2 If the Parent is not present in person and/or not enough Members are present in person or represented at the meeting within half an hour of the time the meeting was scheduled to start, the meeting must be re-scheduled for the same day the following week at the same time and place. If at that meeting there are not enough Members present within half an hour of the scheduled starting time, the meeting can still go ahead.

23. If a majority of Members present agree, the Chair of a meeting can adjourn the meeting. No business can be discussed at the adjourned meeting other than the business not reached or left unfinished at the original meeting. There is no need to give notice to Members of the adjourned meeting other than those Members who attended the original meeting who shall receive notice of the date and venue of the adjourned meeting.
- 24.1 The Chair of the Board will be chair at all our meetings. If there is no Chair or he/she is not present or willing to act the meeting will be chaired by the Vice-Chair or, if he/she is not present or willing to act, the Members present must elect a Board Member to be Chair of the meeting.
- 24.2 If the Chair arrives later, after the meeting has commenced s/he will take over as Chair of the meeting as soon as the current agenda item is concluded.

Proxies/representatives

- 25.1 To appoint a representative to vote on your behalf by proxy, you must let the Company Secretary have a properly completed document in the form shown in Appendix 1. Your representative does not need to be a Member. The document must reach the Company Secretary at least seven days before the meeting at which you want to be represented.
- 25.2 If there is any doubt about whether your representative has authority to vote, the Chair will decide and his/her decision will be final.
- 25.3 The maximum number of proxy votes that may be cast by one person is four.
- 25.4 To reverse your appointment of a representative, you must let us have a properly completed document in the form shown in Appendix 2. The document must be presented to us before the meeting at which you no longer want to be represented convenes. If you declare yourself present before the meeting convenes, the appointment of a representative to vote on your behalf will automatically fall.
- 25.5 The Chair will report to the meeting the details of any documents received which are not valid or void.

Voting

26. Save where otherwise specified in these Rules if a decision of a meeting is put to the vote, the outcome will be determined by the majority of those Members present and voting (excluding abstentions). Voting will be by a show of hands except where a secret ballot is requested or required. Votes cannot be taken on resolutions which conflict with these Rules or the law.
- 27.1 Subject to the terms of Rule 27.3, where a vote is by a show of hands every Member (including the Parent) present in person has one vote. Where a vote is by a secret ballot every Member (including the Parent) present in person or who has appointed a representative has one vote. Where an appointed proxy is present, he must advise the Chair and the Chair shall direct that the vote is by secret ballot.
- 27.2 The Parent shall be deemed to be present in person at any general meeting if it is represented in person by an individual (who need not be a Member) who is appointed to act as a representative of the Parent, such appointment to be in writing signed by or on behalf of the Parent.
- 27.3 At any special general meeting called by the Company Secretary in accordance with these Rules for the purposes of considering and, if appropriate, approving:
 - 27.3.1 any amendments, additions or deletions to any of these Rules;
 - 27.3.2 the winding up or dissolution of GHA; and / or
 - 27.3.3 any change of name of GHA,

the Parent shall be allocated and shall be entitled to cast three quarters of the votes available to be cast at the relevant special general meeting and the other Members of GHA (the “Other Members”) shall among them be entitled to cast one quarter of the votes available to be cast at the relevant special general

meeting. Votes exercisable by the Other Members in terms of this Rule 27.3 shall be counted for and against the relevant resolution(s) in the proportions for and against actually cast by each of the Other Members who are present and voting at the meeting in person or by proxy respectively. The Company Secretary shall make arrangements for such Other Members to vote on the relevant resolution(s) separately and shall count the number of votes in favour and against the resolution(s) and shall notify the special general meeting of the totals and accordingly the manner in which the one quarter of votes available to be cast at the relevant special general meeting and exercisable by the Other Members have been cast.

28. If there is an equal number of votes for and against a decision the outcome of which is determined by the majority of those Members voting (excluding abstentions), the Chair will have a second and deciding vote. The Chair's announcement of the decision of a vote will be final and conclusive. The decision is then recorded in the minutes of the meeting. There is no need to record the number of votes for or against the decision.
- 28.1 A secret ballot can be required before a vote by a show of hands, if the Parent or at least four Members present in person or through a representative at the meeting request this. For the avoidance of doubt, a secret ballot may not be requested in relation to any matter if a vote by show of hands in respect of that matter has already taken place.
- 28.2 A secret ballot must take place as soon as the Chair has agreed to it and shall be conducted in such a manner as the Chair may direct. The result of the secret ballot shall be declared at the meeting at which it was requested and will stand as the decision of the meeting.
29. All speakers must direct their words to the Chair. All Members must remain quiet and orderly while this is happening. You will not be allowed to speak more than once on any individual matter unless it is to explain something or ask for an explanation until every other Member has had the chance to speak. You will then have the opportunity to speak a second time on a matter but only if the Chair agrees. Where the Chair raised the matter for discussion initially, she/he shall be permitted to make a final reply on the matter.
30. Where a proposal being discussed can be amended then to amend it you must speak to the Chair in front of the Members. Amendments must be dealt with one by one; must be discussed and either accepted or rejected before another is suggested.
31. The Chair will decide how long each speaker is allowed to speak, allowing equal time to each speaker.
32. If any point arises which is not covered in these Rules, the Chair will give his/her opinion. If the Chair's opinion is challenged by more than one Member, the Chair will step down and those Members present will decide the point raised on a majority vote. If the vote is tied, the Chair's original opinion is carried.
33. Meetings must not last longer than two hours unless at least two-thirds of the Members present agree after the end of that time to continue the meeting.

THE BOARD

Composition of the Board

- 34.1 GHA shall, subject to the provisions of Rule 44, have a Board (herein referred to as the "Board") of, a minimum of seven members and, excluding any person co-opted under Rule 35, a maximum of eleven members of whom:
 - 34.1.1 up to six Board Members shall be Tenant Board Members;
 - 34.1.2 one Board Member shall be an Independent Board Member;
 - 34.1.3 up to two Board Members shall be Council Board Members; and
 - 34.1.4 up to two Board Members shall be Parent Appointees (if appointed and as hereinafter defined).

- 34.2 In the event that at any time there shall be fewer than: six Tenant Board Members; one Independent Board Member; two Council Board Members; or two Parent Appointees, then, subject to the provisions of Rule 44, the remaining Board Members may continue to act and exercise all the powers of the Board until the next following Annual General Meeting.
- 34.3 You must be a Member and aged 18 or over to become a Board Member, unless you are a Parent Appointee, a Scottish Housing Regulator appointee or a Board Co-optee in terms of Rule 35.
- 34.4 The Tenant Board Members shall be elected in accordance with the provision of Rules 37.1 and 38.2.
- 34.5 The Independent Board Member shall be nominated by the Board to the Members for election to the Board. The Independent Board Member shall be an individual who has skills and experience that are necessary or desirable to support the Board. The Board shall determine the skills and experience that are needed prior to nomination by the Board of such persons to the Members.
- 34.6 The Council Board Members shall be appointed and may be removed by the Council. The effective date of such appointment or removal shall be the date of receipt by the Company Secretary at the registered office of GHA of written notification from the Council of the appointment or removal.
- 34.7 The Parent may from time to time and at any time by written notice to the registered office of GHA appoint up to two persons as Board Members (a "Parent Appointee") and by like notice remove or replace a Parent Appointee and in each case, such appointment or removal shall take effect upon the date of lodgement of such written notice at the registered office of GHA or such later date as may be specified in the notice.
- 34.8 Notwithstanding any other provision of these Rules:
- 34.8.1 the Parent is the parent body of GHA and shall be entitled to appoint any number of Board Members and remove from office any and all Board Members as it may in its sole discretion determine;
- 34.8.2 any appointments and removals from office in terms of Rule 34.8.1 may be made from time to time and at any time in writing signed on behalf of the Parent and served on GHA and, in each case, shall take effect upon the date of lodgement of written notice at GHA's registered office or such later date as may be specified in the notice; and
- 34.8.3 all candidates for election, re-election, appointment or re-appointment as Board Members in terms of these Rules shall first be approved in writing by the Parent and any such election, re-election, appointment or re-appointment of a Board Member shall not take effect unless and until such approval has been given.
- 34.9 Subject and without prejudice to the terms of Rule 34.8, the Parent shall exercise its powers of appointment and removal of any Board Members under Rule 34.8 in accordance with the terms of the Group Agreement.

Co-optees

- 35.1 Subject to approval by the Parent, the Board may from time to time co-opt to the Board up to three persons (including, without limitation, the Group Chief Executive and the Group Director of Finance) (a "Board Co-optee") which the Board consider are suitable to become Board Members. The Board may also from time to time co-opt to any Committee any person which the Board considers is suitable to become a member of a Committee (a "Committee Co-optee"). Subject to and without prejudice to Rule 53.5, a person may only serve as a Board Co-optee or a Committee Co-optee until the next annual general meeting or until he or she is removed by the Board or resigns office.
- 35.2 Board Co-optees or Committee Co-optees may take part in Board or Committee discussions and vote at meetings on all matters except those which directly affect the membership of GHA or the election or removal from office of GHA's Office Bearers. Board Co-optees may not stand for election, nor be elected, as one of the Office Bearers of the Board.

- 35.3 The presence of a Board Co-optee at a meeting of the Board will not be counted when establishing whether the minimum numbers of Board Members are present to allow the meeting to take place as required by Rule 43.

ELECTING / APPOINTING BOARD MEMBERS

- 36.1 The Board Members duly appointed or elected shall remain Board Members (subject to the provisions of Rule 40) until retirement in accordance with the rules herein specified.
- 36.2 The rules referred to in Rule 36.1 are as follows:
- 36.2.1 at the end of each annual general meeting at least one-third (or the nearest whole number thereto) of the Tenant Board Members must retire provided that no Tenant Board Member shall serve for a period of more than three years without being reappointed in terms of these Rules;
- 36.2.2 no Independent Board Member shall serve for a period of more than three years or such shorter period as any general meeting may from time to time determine without being reappointed in terms of these Rules; or
- 36.2.3 at the end of the term of office of the Council during which they were appointed or last re-appointed all Council Board Members must retire.
- 36.3 Anybody appointed as a Board Co-optee under Rule 35.1 or to fill a casual vacancy under Rule 38 and who retires for that reason shall not be counted when determining the number of Board Members required to retire in terms of Rules 36.2.1 and 36.2.2. The retiring Board Members from each of the Constituencies should be those who have served the longest on the Board since the date of their last election or appointment. If two or more Board Members have served equally long and cannot agree who should retire, they must draw lots.
- 36.4 Board Members must also retire if they have filled casual vacancies under Rule 38.
- 36.5 No Parent Appointee (if appointed) shall be required to retire at any annual general meeting.
- 37.1 Prior to each annual general meeting, elections shall be held for the number of Tenant Board Members to be appointed thereat. The mode and manner of such elections shall be such as to allow all Tenants of GHA either directly or indirectly to be involved in the election of Tenant Board Members. The Board shall determine the mode and manner of such elections following any recommendations from the Tenant Board Members provided that the Board is satisfied that the recommendation is democratic, fair and in the best interests of GHA. The Company Secretary shall at the annual general meeting next following the election certify the results of the election and declare those elected duly appointed to the Board.
- 37.2 All elections (other than pursuant to Rule 37.1) and appointments of Board Members made at either a General Meeting or a Board Meeting shall be in accordance with directions made by the Board or in the absence of such directions in the manner directed by the Chair. Each Member or, as the case may be, Board Member present in person or by proxy shall be entitled to one vote for each vacancy to be filled but shall not give more than one vote to any one candidate.
- 37.3 Nominations for the Board must be in writing, must give the full name, address and occupation of the person being nominated and otherwise be in accordance with the criteria and procedures for the nomination of prospective Board Members which the Board determines to be in the best interests of GHA. Nominations must be signed by and include a signed statement from the person being nominated to show that they are willing to be elected.
- 38.1 If a Council Board Member leaves the Board at any time for whatever reason between the annual general meetings, his/her place shall be filled by another person to be appointed by the Council and such person shall be deemed to be a Council Board Member for the purpose of these Rules and shall hold office until the end of the term of office of the Council during which the appointment is made. The Council shall retain the right to replace its appointees, at any time, by formal notification to GHA.

- 38.2 If a Tenant Board Member leaves the Board for whatever reason between annual general meetings his/her place shall be filled by another person to be appointed by the Board or at the Board's discretion nominated by a body or bodies representing the Tenants (or the tenants of the Council prior to Transfer) designated by the Board for this purpose and such person shall be deemed to be a Tenant Board Member for the purposes of these Rules and shall hold office until the next annual general meeting.
- 38.3 If the Independent Board Member leaves the Board for whatever reason between the annual general meetings his/her place may be filled by another person to be appointed by the Board and the Independent Board Member appointed to fill the vacancy shall retire at the next annual general meeting.
- 38.4 If a Parent Appointee leaves the Board for whatever reason between annual general meetings his/her place may be filled by another person to be appointed by the Parent to fill the vacancy in accordance with the terms of Rule 34.7.

Removal, suspension and censure of Board and Committee Members

- 39.1 If, at a special meeting of the Board convened for the purpose, a majority of the Board Members present and voting (excluding abstentions) at such meeting determine that a Board Member or Committee Member has:
- 39.1.1 failed to perform to any published standards adopted and operated by GHA and/or laid down from time to time by the Scottish Housing Regulator and/or the Office of the Scottish Charity Regulator;
 - 39.1.2 failed to comply with the Code of Conduct;
 - 39.1.3 committed a serious breach of GHA's Rules or the Group Standing Orders;
 - 39.1.4 failed to disclose a financial interest personally or as a member of a firm or as a director or other officer of a business trading for profit or in any other way whatsoever in a contract or other transaction with GHA as described in Rule 41.1;
 - 39.1.5 failed to disclose a relevant interest in accordance with rule 42.1; and/or
 - 39.1.6 failed to comply with the terms of any suspension or direction previously issued by the Board pursuant to this Rule 39,
- the Board may by a majority vote of those Board Members present and voting (excluding abstentions) at such special meeting of the Board:
- (a) remove that Board Member or Committee Member from office;
 - (b) suspend that Board Member or Committee Member from office on such terms and for such period as they may determine;
 - (c) censure that Board Member or Committee Member in such manner as they may determine; or
 - (d) make a direction requiring that Board Member or Committee Member to act or refrain from acting in a particular manner.
- 39.2 Any Board Member or Committee Member suspended in accordance with the terms of this Rule 39 shall not, for the period of suspension, be entitled to attend or vote at any meeting of the Board or Committee nor to receive notice of any such meeting during the period of such suspension.

Eligibility for the Board

- 40.1 You cannot become or remain or be re-elected as a Board Member or a member of a Committee and shall immediately cease to be a Board Member and/or a member of a Committee if any of the following happens to you:

- 40.1.1 you are declared bankrupt under the Bankruptcy (Scotland) Act 1985;
- 40.1.2 you are involved in a formal arrangement with all your creditors;
- 40.1.3 you are sentenced to prison for a month or more or have been convicted of a crime of dishonesty for which the rehabilitation period in terms of the Rehabilitation of Offenders Act 1974 has not expired or for which rehabilitation is excluded in terms of the said Act;
- 40.1.4 you are involved in any legal proceedings in any Court of Law by or against us;
- 40.1.5 you are, have been or will be away for a period of 12 months and are thus unable to attend the Board meetings;
- 40.1.6 you have been removed by the Scottish Housing Regulator from the governing body of another registered social landlord under Part 5 of the Housing (Scotland) 2010;
- 40.1.7 you: are or become disqualified from being a charity trustee pursuant to section 69 of the 2005 Act; have been suspended or removed as a charity trustee pursuant to section 34 of the 2005 Act; or have been the subject of any direction issued by the Office of the Scottish Charity Regulator pursuant to section 28 and/or section 31 of the 2005 Act;
- 40.1.8 a disqualification order has been made against you under the Company Directors' Disqualification Act 1986 (which relates to the power of a court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company);
- 40.1.9 you have been required to leave the Board either under Rules 39 or Rule 40 of these Rules or Rule 39 or Rule 40 of any rules which these Rules have superseded; or
- 40.1.10 you have been removed from the governing body of any other member of the Group.
- 40.2 You cannot become or remain or be reappointed as, and shall immediately cease to be, a Council Board Member if:-
 - 40.2.1 you are or become a Tenant Board Member, provided that you can be or remain or be reappointed as a Council Board Member if you are or become a Tenant.
- 40.3 You cannot become or remain or be reappointed as, and shall immediately cease to be, a Tenant Board Member if:-
 - 40.3.1 you cease to be a Tenant; or
 - 40.3.2 you become a Council Board Member,

provided that if you cease to be a Tenant solely because you have become a tenant of a registered social landlord who has acquired your tenancy as the result of a sale of a discrete number of houses by GHA to that registered social landlord you may remain a Tenant Board Member until the annual general meeting which immediately follows such a sale.
- 40.4 You cannot become or remain or be re-elected as, and shall immediately cease to be, an Independent Board Member if:-
 - 40.4.1 you become a Tenant Board Member, provided that you can be or remain or be reappointed as an Independent Board Member if you are or become a Tenant; or
 - 40.4.2 you become a Council Board Member.
- 40.5 You shall immediately cease to be a Board Member if you:
 - 40.5.1 resign your position in writing, in which case you may not be re-appointed or re-elected as a Board

Member unless a majority of the Board Members present and voting (excluding abstentions) at a Board meeting decide that you may be re-appointed or re-elected as a Board Member;

- 40.5.2 leave the membership of GHA or have your membership withdrawn;
 - 40.5.3 miss three Board meetings in a row without special leave of absence previously granted by the Board; or
 - 40.5.4 are excluded under Rules 40.1, 40.2 or 40.3;
 - 40.5.5 fail to sign the statement pursuant to Rule 40.7; or
 - 40.5.6 no longer meet any specific eligibility criteria relative to the Constituency under which you were appointed or elected as a Board Member.
- 40.6 The Board shall in its annual report set out in the form of the Code of Conduct the obligations of every Board Member to the Board and to GHA. The Board shall review and amend the obligations of Board Members from time to time.
- 40.7 No Board Member may act as such until they have signed and delivered to the Board a statement confirming that they will meet their obligations to the Board and to GHA as set out in the Code of Conduct and their election or appointment has been ratified by the Parent.
- 40.8 Any Board Member who has not signed a statement confirming that they will meet their obligations to the Board and to GHA as set out in the Code of Conduct without the written permission of the Chair whom failing Vice Chair on cause shown for a specified period of time, within one month of election or appointment to the Board shall immediately cease to be a Board Member.
- 40.9 The terms of Rules 40.5.1 to 40.5.3 (inclusive) shall not apply to any Parent Appointee appointed from time to time by the Parent in terms of these Rules.

Board Members' interests

- 41.1 Rule deleted.
- 41.2 GHA will not make any payment to you or provide any benefit for you unless it is permitted under these Rules or the Housing (Scotland) Act 2010 or any guidance issued by the Scottish Housing Regulator pursuant thereto.
- 41.3 The terms of Rule 41.2 shall not apply to the contracts of employment of the Group Chief Executive or the Group Director of Finance or any payments or benefits made or provided thereunder.
- 42.1 If while serving on the Board you have any conflict of interest in any contract or other matter about to be discussed at the meeting, you must tell the Board. You will be required to leave the meeting while the matter is discussed unless the Board agree that in the circumstances it is appropriate for you to remain but you will not be allowed to vote on the matter or to stay in the meeting while any vote on the matter is being held. If you are inadvertently allowed to stay in the meeting and vote on the matter, your vote will not be counted. If no quorum exists for the purpose of voting on a matter only because of the operation of this Rule 42.1, provided that there are at least three remaining members of the Board who are entitled to remain in terms of this Rule, such remaining members of the Board shall be deemed to constitute a quorum for the purposes of voting and may proceed to make a decision as a quorate Board.
- 42.2 For the purposes of these Rules a Tenant Board Member shall be deemed not to have a conflict of interest or other interest in respect of matters considered or to be considered by the Board or by a Committee of the Board which relate to the Tenants or a group of Tenants provided that Rule 42.3 is complied with. There shall be a conflict of interest or other interest for the purposes of these Rules for a Tenant Board Member if his or her own tenancy agreement or the rights and/or obligations thereunder are considered by the Board or a Committee of the Board.
- 42.3 A Board Member may remain in any meeting and/or vote for any matter where the same is permitted by any legal and other provisions with which Board Members are bound to comply.

- 42.4 A Board Member may also be a director or other officer of, or employed by, or otherwise interested in, any member of the Group or in any other body corporate in which GHA is otherwise interested.

BOARD PROCEDURE

43. It is up to the Board to decide when and where to hold its ordinary meetings, but it must meet at least six times in each calendar year unless the Board determines otherwise. There must be at least six Board Members present for the meeting to take place. Subject and without prejudice to Rule 47, it is expected that at least one Parent Appointee will be in attendance at any Board meeting.
44. The Board will continue to act while it has vacancies for Board Members. However, if at any time the number of Board Members falls below seven the Board can continue to act only for another two months. If at the end of that period the Board has not found new members to bring the number of Board Members up to at least seven, the only power it will have is to act to bring the number of Board Members up to at least seven.
45. Board Members must be sent notice of ordinary meetings at least seven days before the date of the meeting.
- 45.1 All business for the meeting's agenda must be with the Company Secretary in good time for it to be mailed with the papers accompanying notice of the meeting. Urgent matters not on the agenda may be discussed at meetings if a majority of the Board Members present at the meeting agree to this. Urgent matters known before the meeting should be brought to the attention of the Company Secretary as soon as possible.
- 45.2 In all cases, the Chair, whom failing the Vice Chair, will decide whether a matter is urgent.

Special Board Meetings

- 46.1 The Chair, whom failing the Vice Chair, or two Board Members can request a special meeting of the Board by writing to the Company Secretary and the Chair with details of the business to be discussed. The Company Secretary will send a copy of the request to all Board Members within three business days of receiving it. The meeting will take place at a place mutually convenient for the majority of Board Members (normally at the usual place where Board meetings are held) between 10 and 14 days after the Company Secretary receives the letter.
- 46.2 No other business may be discussed at the meeting other than the business for which the meeting has been called.
- 46.3 If the Company Secretary does not call the special meeting as set out above, the Chair or the Board Members who request the meeting can call the meeting. In this case, they must write to all Board Members at least seven days before the date of the meeting.
47. If a Board Member (other than any Parent Appointee) does not receive notice of an ordinary or a special meeting, this will not prevent the meeting going ahead.

Proceedings at Board meetings

48. All speakers must direct their words to the Chair. All Board Members must remain quiet and maintain order while this is happening. The Chair, whom failing the Vice Chair, will decide who can speak and for how long.
49. If any point arises which is not covered in these Rules or the Standing Orders, the Chair, whom failing the Vice Chair, will give his/her decision which will be final.

The Chair and Vice Chair

- 50.1 The Chair of GHA shall be appointed by the Board from among the Tenant Board Members at the next scheduled Board meeting held after each annual general meeting.

- 50.2 The Chair must be appointed from the Tenant Board Members and must be prepared to act as Chair until the end of the next annual general meeting. The Chair or the Vice Chair can only be required to resign if two-thirds of the Board Members present at a special meeting agree to this. The appointment of the Chair shall be subject to ratification in writing by the Parent.
- 50.3 If the Chair is not present at a Board Meeting or is not willing to act, the meeting shall be chaired by the Vice-Chair. If the Vice-Chair is also not present or not willing to act those Board Members present will elect another Board Member present at the meeting to chair that meeting. If the Chair arrives at the meeting late s/he will take over as chair of the meeting as soon as the current agenda item is concluded.
- 50.4 If there is an equal number of votes for and against a decision the outcome of which is based on what the majority of Board Members vote for the Chair will have a second and deciding vote. The Chair's announcement of the decision of a vote will be final and conclusive. The decision is then recorded in the minutes of the meeting. There is no need to record the number of votes for or against the decision.
- 50.5 The Chair can resign his/her office in writing to the Company Secretary and must resign if he or she leaves the Board, is suspended in terms of Rule 39.1.6(b) or is prevented from standing, for or being elected to the Board under Rule 40. The Board will then elect another Tenant Board Member as Chair.
- 50.6 The Chair can be re-elected but must not hold office continuously for more than five annual general meetings unless there is no other Tenant Board Member who is prepared to be Chair.
- 50.7 The Board shall elect a Vice Chair from amongst Board Members whose powers and responsibilities shall be on such terms as the Board may determine. The Vice Chair can resign his/her office in writing to the Company Secretary and must resign if he or she leaves the Board, is suspended in terms of Rule 39.1.6(b) or is prevented from standing for or being elected to the Board under Rule 40. The Board will then elect another Board Member as Vice Chair.

THE POWERS OF THE BOARD

51. The Board is responsible for directing the affairs of GHA and its business and subject to the terms of these Rules may exercise all of the powers of GHA. The Board is not permitted to exercise any powers which are reserved to GHA in general meetings either by these Rules or by statute. Each Board Member must act in accordance with GHA's objects and these Rules.
52. The Board acts in GHA's name in everything it does. A third party acting in good faith and without prior notice does not need to check if the powers of the Board have been restricted, unless they are already aware that such a restriction may exist.

Committees of the Board

- 53.1 The Board can with the prior written approval of the Parent establish Committees made up of Board Members and Committee Co-optees and dissolve such Committees. The Board can delegate its powers Committees or to staff or Office Bearers and such delegation shall be on such terms and conditions as the Board may determine from time to time.
- 53.2 The meetings and procedures of Committees will be the same as those of the Board as set out in these Rules and the Standing Orders except as otherwise determined by the Board. Committees must also follow any other additional regulations the Board may impose.
- 53.3 Any decision made by a Committee must be reported to the next Board meeting.
- 53.4 Subject to and without prejudice to Rule 53.5, Committee Co-optees must not make up more than one-third of a Committee and do not count towards the number of members of a Committee needed for a Committee meeting to take place. Committee Co-optees can vote on all matters except those which directly affect the membership of GHA or the election of our Office Bearers.

- 53.5 The composition of an Area Committee and the period for which members of an Area Committee (including Committee Co-optees to an Area Committee) may serve shall be as the Board may determine from time to time. Committee Co-optees may comprise a majority of the members of an Area Committee and shall count towards the number of members of an Area Committee needed for an Area Committee meeting to take place.

Board Decisions

54. All acts done in good faith as a result of a Board meeting or a meeting of a Committee will be valid. This is so even if it is discovered afterwards that a Board Member was not entitled to be on the Board.
55. A written resolution signed by all Eligible Members will be as valid as if it had been passed at a Board meeting or a meeting of a Committee duly called and constituted.

THE SECRETARY AND OTHER OFFICE BEARERS

- 56.1 GHA shall have a Company Secretary and any other Office Bearers the Board considers necessary. The Company Secretary must either be an employee of GHA or a Board Member. If the Company Secretary is not a Board Member he/she will have no vote. All other Office Bearers must be Board Members and cannot be Board Co-optees. The Board will appoint the Office Bearers. If the Company Secretary cannot carry out his/her duties, the Board, or in an emergency the Chair, can ask another Office Bearer or employee to carry out the Company Secretary's duties until the Company Secretary returns or a replacement is appointed.
- 56.2 The Company Secretary and the other Office Bearers will be controlled, supervised and instructed by the Board.
- 56.3 The Company Secretary's duties include the following:
- 56.3.1 calling, cancelling and attending meetings of GHA and meetings of the Board;
 - 56.3.2 keeping the minutes for all meetings of GHA and the Board;
 - 56.3.3 sending out letters, notices calling meetings and relevant documents to members before a meeting;
 - 56.3.4 preparing and sending all the necessary reports to the Financial Conduct Authority, the Scottish Housing Regulator and the Office of the Scottish Charity Regulator;
 - 56.3.5 ensuring compliance with these Rules;
 - 56.3.6 keeping the register of Members and other registers required under these Rules;
 - 56.3.7 keeping all the physical books of accounts and receiving all contributions and payments owed to GHA; and
 - 56.3.8 paying over the contributions and payments received by GHA as instructed by the Board.
- 56.4 The Company Secretary must produce or give up all GHA's books, registers, documents and property whenever requested by a resolution of the Board, or of a General Meeting.

FINANCIAL GUARANTEES FOR OFFICERS

57. The Board shall take out fidelity guarantee insurance to cover all Office Bearers and employees who receive or are responsible for GHA's money or these Office Bearers and employees must be covered by a bond as set out in Schedule 4 of the Industrial and Provident Societies Act 1965, or a guarantee under which they promise to account for and repay our money accurately.
58. Office Bearers and employees will not be responsible for GHA's loss while they are carrying out their duties unless there has been gross negligence or dishonesty. If an Office Bearer or employee is dishonest,

GHA may tell the police or another suitable authority, and will try to recover any loss GHA has suffered.

THE BOARD'S MINUTES, SEAL, REGISTERS AND BOOKS

Minutes

59. Minutes of every general meeting, Board meeting and meeting of a Committee of the Board must be kept. Those Minutes must be presented at the next appropriate meeting and signed by the Chair of the meeting at which they are presented. All Minutes signed by the Chair of the meeting shall be conclusive evidence that the facts recorded in the Minutes are accurate.

Seal

60. Without prejudice to the terms of the Requirements of Writing (Scotland) Act 1995 if GHA has a seal the Company Secretary must keep it in a secure place unless the Board decides that someone else should look after it. The seal must only be used if the Board decides this. When the seal is used, the deed or document must be signed by the Company Secretary of GHA or a Board Member or another person or persons authorised by the Board and recorded in the Register.

Registers

- 61.1 GHA must keep at its registered office, a Register containing:
- 61.1.1 the names and addresses of the Members;
 - 61.1.2 a statement of the share held by each Member and the amount each member paid for it;
 - 61.1.3 the date each person was entered in the Register as a Member and the date at which any person ceased to be a Member;
 - 61.1.4 a statement of other property in GHA, whether in loans or loan stock held by each Member; and
 - 61.1.5 the names and addresses of the Office Bearers, their positions, and the dates they took and left office.
- 61.2 A second copy of the Register showing the same details as above but not the statements of shares and property. This second register must be used to confirm the information recorded in the main Register.
- 61.3 A Register of loans and who they are made to.
- 61.4 A Register showing details of all loans and charges on GHA's land.
- 61.5 The inclusion or omission of the name of any person from the original Register of Members shall, in the absence of evidence to the contrary, be conclusive that the person is or is not a Member.

Registered name

- 62.1 The registered name of GHA must be clearly shown on the outside of every office or place where GHA's business is carried out. The name must also be engraved clearly on GHA's seal, if any, and printed on all its business letters, notices, adverts, official publications, and legal and financial documents.
- 62.2 GHA's registered charity number, charity name and confirmation that it is a charity must be clearly shown in: all business letters; e-mails; adverts; notices; any document that solicits money or property for the benefit of GHA; invoices; receipts; letters of credit; bills; statements of account prepared in accordance with the Charities Accounts (Scotland) Regulations 2006; educational or campaign documentation; conveyances which provide for the creation, transfer, variation or extinction of an interest in land; and contractual documentation.

Documentation

- 63. The Association's books of account, registers, securities and other documents must be kept at the registered office or any other place the Board decides is secure.
- 64. At the last Board meeting before the annual general meeting, the Company Secretary must confirm in writing to the Board that Rules 59 to 63 have been followed or, if they have not been followed, the reasons for this. The Company Secretary's confirmation or report must be recorded in the minutes of the Board meeting.

ACCOUNTS

- 65. The Association must keep proper books of account to cover its income, expenditure, assets and liabilities in line with Sections 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968. It must also set up and maintain a suitable system for controlling its books of account, its cash and its receipts and invoices.
- 66. The Board must send GHA's accounts and balance sheet to GHA's auditor. The auditor must then report to GHA on the accounts they have examined. In doing this, the auditors must follow the conditions set out in Section 9 of the Friendly and Industrial and Provident Societies Act 1968 and Part 6 of the Housing (Scotland) Act 2010.
- 67. The Association must provide the Scottish Housing Regulator and the Financial Conduct Authority with a copy of its accounts and the auditor's report within six months of the end of the period to which they relate.

THE AUDITOR

- 68.1 Each year GHA must appoint, at a general meeting of GHA, a qualified auditor to audit GHA's accounts and balance sheet. In this rule 68.1 "qualified auditor" means someone who is a qualified auditor under Section 7 of the Friendly and Industrial and Provident Societies Act 1968.
- 68.2 None of the following can act as auditor to GHA:
 - 68.2.1 a Board Member or employee of GHA;
 - 68.2.2 a person who is a partner of, or an employee or employer of a Board Member or employee of GHA; or
 - 68.2.3 an organisation which is a member of GHA.
- 69. The Board may appoint an auditor to fill in a casual vacancy occurring between general meetings of GHA.
- 70.1 An auditor appointed to act for GHA one year will be re-appointed for the following year unless:-
 - 70.1.1 a decision has been made at a general meeting to appoint someone else or specifically not to appoint them again; or
 - 70.1.2 they have given GHA notice in writing that they do not want to be re-appointed; or
 - 70.1.3 they are not a qualified auditor as defined in Rule 68 or are excluded under Rule 68; or
 - 70.1.4 they are no longer capable of acting as auditor to GHA; or
 - 70.1.5 notice to appoint another auditor has been given.
- 70.2 To prevent an auditor being re-appointed or to appoint another person as auditor, not less than 28 days

notice must be given to GHA that the matter requires to be discussed at the next meeting of GHA.

- 70.3 The Association shall give notice to the auditor who is to be asked to step down that the matter will be discussed at the next meeting of GHA. If possible GHA will also give proper notice of this matter to you but if this is not possible, GHA can give you notice by advertising in the local newspaper at least 14 days before the meeting.
- 70.4 The retiring auditor may make representations to GHA or give notice that he intends to make representations at the meeting and GHA must tell you of any representations made by the auditor under Section 6(7) of the Friendly and Industrial and Provident Societies Act 1968.

ANNUAL RETURNS AND BALANCE SHEET

- 71.1 Every year, within the time allowed by the law, the Company Secretary shall send to the Financial Conduct Authority the annual return in the form required by the Financial Conduct Authority.
- 71.2 The Company Secretary must also send:
 - 71.2.1 a copy of the auditor's report on GHA's accounts for the period covered by the return; and
 - 71.2.2 a copy of each balance sheet made during that period and of the auditor's report on that balance sheet.
- 72. The Association must provide a free copy of the latest annual return and auditor's reports to members or people with a financial interest in GHA.
- 73. The Association must always keep a copy of the latest balance sheet and auditor's report publicly displayed at its registered office.
- 74. The Association must comply with the requests of the Scottish Housing Regulator for annual returns.

PROFITS

- 75.1 GHA must not distribute its profits to Members.
- 75.2 At an annual general meeting, Members may decide to use profits in the following ways:
 - 75.2.1 to set aside an amount recommended to the Board to allow GHA to carry out the aims of GHA; and
 - 75.2.2 to give an amount recommended by the Board to charitable and voluntary groups which further the objects of GHA.

Any remaining profits must be carried forward to the next financial year.

INVESTMENTS

- 76. The Association's funds may be invested by the Board as it determines as if it were absolutely entitled to the assets of GHA provided that any such investment shall be in accordance with GHA's treasury management policies at the relevant time.

INSPECTING THE BOOKS

- 77. Any member or person having a financial interest in GHA can inspect their own account. They may also inspect the second copy of the register of Members which shall be made available to them for inspection within seven days of the request of a Member or eligible person. The books must be available for inspection at the place they are kept at all reasonable hours. The Board may set conditions for inspecting the books.

DISPUTES

- 78.1 Every dispute between GHA or the Board and:
- 78.1.1 a Member; or
 - 78.1.2 a person aggrieved who has ceased to be a Member within the previous six months; or
 - 78.1.3 a person claiming under the Rules of GHA shall be dealt with in accordance with these Rules and any procedures determined by the Board from time to time but that without prejudice to all rights which any person may have to raise an action on the matter in any court with competent jurisdiction including without prejudice the Sheriff Court in the Sheriffdom in which GHA's registered office is located.

STATUTORY APPLICATIONS TO THE FINANCIAL CONDUCT AUTHORITY

- 79 Any two Members who have been Members for at least the twelve previous months can apply to the Financial Conduct Authority to appoint an accountant or actuary to inspect and report on GHA's books on payment to the Financial Conduct Authority of the costs required.
- 80.1 Two Members can apply to the Financial Conduct Authority to:
- 80.1.1 appoint an inspector to examine and report on the affairs of GHA; or
 - 80.1.2 call a special general meeting of GHA.
 - 80.1.3 If there are more than one thousand Members, only one hundred Members need to apply to the Financial Conduct Authority.

COPIES OF RULES

81. The Company Secretary must provide a copy of the Rules of GHA to every new member; and to anyone who asks and who pays the amount set by the Board (not more than £1.00).

CLOSING DOWN THE ASSOCIATION

- 82.1 Subject to the prior written consent of the Parent, GHA can be dissolved in either of the following ways:
- 82.1.1 by an order or resolution to wind up GHA as set out in the Insolvency Act 1986.
 - 82.1.2 if three-quarters of our Members sign an Instrument of Dissolution in the form set out in Treasury Regulations.
 - 82.2 No individual shall profit on the cancellation or dissolution of GHA.
83. If any property remains after GHA has paid its debts this property:-
- (a) if GHA is then a registered social landlord, will belong to any charitable registered social landlord the Scottish Housing Regulator decides; or
 - (b) if GHA is not then a registered social landlord will be given or transferred to another charitable body with objects similar to that of GHA as the Parent shall decide.

CHANGING THE RULES

- 84.1 Any changes to these Rules shall require the prior written consent of the Parent, and subject to such consent being obtained, these Rules can be changed or deleted and new Rules can be introduced, but not so as to stop GHA being a charity registered in Scotland, if:

- 84.1.1 three-quarters of the votes at a special general meeting are in favour of the change(s); and
- 84.1.2 the Scottish Housing Regulator has approved the change(s).
- 84.2 GHA must apply to the Financial Conduct Authority to register every Rule change as set out in Treasury Regulations. Each member must receive a copy of the change. No change is valid until it has been registered by the Financial Conduct Authority. Where an amendment of these Rules affects the objects or purposes of GHA the prior approval of the Office of the Scottish Charity Regulator is required. GHA must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which GHA intends to amend its objects or purposes. Any other amendment of these Rules requires to be notified to the Office of the Scottish Charity Regulator within three months of the change having been made.
- 84.3 GHA can change its name if:
 - 84.3.1 three-quarters of the votes at a special general meeting are in favour of the change(s);
 - 84.3.2 the Financial Conduct Authority approves the change in writing;
 - 84.3.3 the Office of the Scottish Charity Regulator has given its prior approval. GHA must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which GHA intends to change its name; and
 - 84.3.4 the Parent approves the change in writing.
- 84.4 If GHA changes its name or its Registered Office GHA must notify the Scottish Housing Regulator that GHA has changed its name or its Registered Office within twenty eight days of the change being made.

INTERPRETING THESE RULES

- 85.1 In these Rules, unless the context otherwise requires, the following words and phrases have the meanings given below:
 - “2005 Act” means the Charities and Trustee Investment (Scotland) Act 2005;
 - “Area Committee” means any Committee designated by the Board as an Area Committee;
 - "Board" means the board appointed in line with Rules 34 and 35;
 - "Board Meeting" means a meeting of the Board
 - "Board Member" means any of: a Council Board Member; a Tenant Board Member; an Independent Board Member; any Parent Appointee (if appointed); or a Board Co-optee;
 - "Chair" means the Chair of GHA elected pursuant to Rule 50 or any person chairing either a General Meeting or a Board Meeting from time-to-time;
 - "Code of Conduct" means the Group Code of Conduct of Board Members adopted from time to time by the Board;
 - “Committee” means any committee of the Board from time to time, including, for the avoidance of doubt, any Area Committee;
 - "Company Secretary" means the Officer Bearer appointed by the Board to be the Company Secretary of GHA who is either an employee or Board Member;
 - "Constituencies" means the constituencies of the Board represented by the Tenants, the Council and the Independent Sector and “Constituency” means any one of them;

"Council" means Glasgow City Council or any successor body;

"Council Board Member" means a Board Member who has been nominated by the Council and who is appointed to the Board pursuant to Rule 34.6;

"Eligible Member" means a Board Member who would be entitled to vote on the matter at a Board Meeting, but excluding any Board Member whose vote is not to be counted in respect of the particular matter;

"Financial Conduct Authority" means the body set up under the Financial Services Act 2012 to register Industrial and Provident Societies under the Industrial and Provident Societies Act 1965;

"Group" means: the Parent; GHA; and any Subsidiary from time to time;

"Group Agreement" means the agreement between GHA and the Parent in relation to the objectives and operation of the Group;

"Group Chief Executive" means the chief executive of the Group from time to time;

"Group Director of Finance" means the director of finance of the Group from time to time;

"Guarantee" means any guarantee and includes any obligation (including as primary obligor), including a contract of indemnity or suretyship, however described, to pay, satisfy, provide funds for the payment or satisfaction of (including, without limitation, by advance of money, purchase of or subscription for securities and purchase of assets or services), indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any Subsidiary or Relevant Organisation or any other person;

"Independent Board Member" means a Board Member who is neither a Council Board Member nor a Tenant Board Member;

"Independent Sector" means such sector as is representative of neither of the Tenants nor the Council;

"Member" means one of the people referred to in Rule 8;

"Office Bearer" means the Chair, Vice Chair, Company Secretary and treasurer of the Board and Chairs and Vice Chairs of each Committee of the Board of GHA;

"Organisation" means a legal body which exists separately and distinctly from its members and includes companies, building societies, industrial and provident societies, local authorities and so on and also for the purposes of these Rules includes unincorporated organisations such as social clubs, branches of political parties or trade unions and other voluntary bodies;

"Relevant Organisation" means any organisation that manages property or assets on behalf of GHA or to whom any property or assets previously owned by GHA are transferred;

"Parent" means Wheatley Housing Group Limited, a company incorporated in Scotland with registered number SC426094 and having its registered office at Wheatley House, 25 Cochrane Street, Glasgow; G1 1HL;

"Property" includes everything which can be passed on by inheritance (including loans, certificates, books and papers);

"Register of Members" means the register of Members referred to in Rule 61;

"Scottish Housing Regulator" means the body corporate established under section 1 of the Housing (Scotland) Act 2010 known as the Scottish Housing Regulator, having its principal office at Highlander House, 58 Waterloo Street, Glasgow G2 7DA;

"Standing Orders" means the standing orders of the Group as from time to time adopted by the Board;

"Subsidiary" means an organisation which is a subsidiary of either GHA or the Parent within the meaning of Section 164 of the Housing (Scotland) Act 2010;

"Tenant" means a residential tenant of GHA from time to time occupying a residential property let by GHA under a Scottish secure tenancy or a short Scottish secure tenancy;

"Tenant Board Member" means a Board Member who is elected or appointed to the Board pursuant to Rule 37.1 or Rule 38.2;

"Transfer" means the transfer of the housing stock of the Council to GHA;

"these Rules" means GHA's registered Rules;

"United Kingdom" means Great Britain and Northern Ireland;

"Vice Chair" means the Board Member appointed by the Board to be the Vice Chair of GHA;

"We" or "GHA" or "our" means the registered social landlord referred to in Rule 1 whose rules these are, as the context permits and

"You" means a Member, prospective Member or applicant for membership of GHA.

- 86.1.1 Words in the singular also include the plural. Words in the plural also include the singular.
- 86.1.2 Reference to an organisation which has been established by statute includes a reference to a statutory successor of that organisation.
- 86.1.3 A reference to a statute, statutory provision or subordinated legislation is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it and any former statute or statutory provision which it amends or re-enacts. Without prejudice to the generality of the foregoing, each reference to the Housing (Scotland) Act 2001 shall include reference to the equivalent or replacement provision in the Housing (Scotland) Act 2010 or to any subsequent re-enactment or amendment thereof.
- 86.1.4 Reference to a "**person**" includes a corporate or unincorporated body (whether or not having a separate legal personality).
- 86.1.5 Where the words "**include(s)**" or "**including**" are used they are illustrative and shall not limit the scope of the words preceding them.
- 86.1.6 "**Present**" or "**present in person**" means any Member or Board Member or member of a Committee (including any Board Co-optee or Committee Co-optee) who is present in person or is deemed to be present by virtue of some other form of communication, including by way of: conference telephone; video link; internet video facility; or any other similar communications equipment by means of which all persons participating in the meeting are able to hear each other.

APPENDIX I

PROXY FORM

You must use the wording shown below to appoint a representative to vote at a meeting for you. Please see Rule 25 for more details.

I (insert name) am a member of The Glasgow Housing Association Limited (“GHA”).

My address is (please insert)

I hereby appoint (insert name) who lives at (insert address) to be my representative and vote for me at the general meeting of GHA on (insert date) and any other dates that meeting continue

on.

Your name

Your signature

Date

APPENDIX 2

CANCELLATION OF PROXY

You must use the wording shown below to reverse your application to send a representative to vote at a meeting for you. Please see Rule 25 for more details.

I (insert name) am a member of The Glasgow Housing Association Limited (“GHA”). My address is: (insert address)

I hereby revoke the appointment of (insert name) as my representative to vote for me at the general meeting of GHA on (insert date) made by me on the (insert date).

I no longer authorise the person referred to above to represent me at the meeting referred to above,
Your name

Your signature



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



Mutual Societies Application Form

Amendment of rules for a society or credit union

Full name of society or credit union:

THE GLASGOW HOUSING ASSOCIATION LIMITED

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

1

Details of rule changes

Society details

1.1 Society or credit union details

| | |
|-----------------|----------|
| Register number | 2572R(S) |
|-----------------|----------|

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 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 checked="" 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.

SCOTTISH FEDERATION OF HOUSING ASSOCIATIONS

Continue to question 1.8.

Signature

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

| | |
|-------------------|--|
| Signature |  |
| Contact telephone | 0141 274 6343 |
| Date | 31 October 2014 |


Continue to section 2.

2

Statutory declaration

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

I,


| | |
|-----------|--|
| Name | KIRSTEN MARY CRAIG |
| Of | WHEATLEY HOUSE 25 COCHRANE STREET GLASGOW |
| Postcode | G1 1HL |
| Signature |  |
| Position | COMPANY SECRETARY |
| Date | 31 October 2014 |

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 | STEPHEN STEWART WRIGHT |
| Declared at | GLASGOW |
| Signature |  |
| Date | 31 OCTOBER 2014 |

End of form

1

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?

HOUSING ASSOCIATION (REGISTERED SOCIAL LANDLORD)

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?**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.

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

RULE 2 SETS OUT THE BENEFICIARIES AS BEING THOSE IN NEED BY REASON OF AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE, PRINCIPALLY IN THE ADMINISTRATIVE AREA OF GLASGOW CITY COUNCIL.

1.9 How does the society benefit that community?

RULE 2 SETS OUT THE WAY IN WHICH THE SOCIETY WILL BENEFIT THE COMMUNITY THROUGH THE PROVISION, CONSTRUCTION, IMPROVEMENT AND MANAGEMENT OF LAND AND ACCOMODATION AND/OR THE PROVISION OF CARE.

1.10 How does the society use any surplus/profit?

RULE 75 PREVENTS PROFITS BEING DISTRIBUTED TO MEMBERS. INTSTEAD, PROFIT IS TO BE USED TO FURTHER THE AIMS OF THE SOCIETY OR TO BE DONATED TO A CHARITY OR VOLUNTARY GROUP WHICH FURTHERS THE OBJECTS OF THE SOCIETY. ANY REMAINING PROFIT IS TO BE CARRIED FORWARD TO THE NEXT FINANCIAL YEAR.

Complete the next page if applying for a complete rule amendment

1

Appendix 1 – Part 2

This part of this appendix must only be completed by societies registered under the 2014 Act applying for a complete amendment of rules.

2.1 Please complete the table below

| Matters to be provided for | Rule number(s) |
|---|--|
| The society's name | 1 |
| The objects of the society | 2 |
| The place of the society's registered office, to which all communications and notices may be addressed | 6 |
| The terms of admission of the members, including any society or company investing funds in the society under the provision of the 2014 Act. | 7, 8, 9, 10 |
| The method of holding meetings, the scale and right of voting, and the method of making, altering or rescinding rules. | 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 84 |
| The appointment and removal of a committee, (by the name of *) and of managers or other officers, and their respective powers and remuneration. | 34, 35, 36, 37, 38, 39, 40, 56 |
| The maximum amount of interest in the shares of the society which may be held by any member otherwise than by virtue of section 24(2) 2014 Act. | 10 |
| Whether the society may contract loans or receive moneys on deposit subject to the provisions of the 2014 Act from members or others; and, if so, under what conditions, under what security, and to what limits of amount. | 16, 17 |
| Whether any or all shares are transferable, and provision for the form of transfer and registration of the shares, and for the consent of the committee to transfer or registration. Whether any or all shares are withdrawable, and provision for the method of withdrawal, and the payment of the balance due thereon on withdrawing from the society. | 12, 15 |
| Provision for the audit of accounts in accordance with Part 7 of the 2014 Act. | 66, 68 |
| Whether members may withdraw from the society, and if so, how, and provision for the claims of the representatives of deceased members or the trustees of the property of bankrupt members)or, in Scotland, members whose estate has been sequestrated) and for the payment of nominees. | 12, 15 |
| The way in which the society's profits are to be applied. | 75 |
| If the society is to have a common seal, provision for its custody and use. | 60 |

| | |
|---|----|
| Whether any part of the society's funds may be invested, and if so by what authority and in what way. | 76 |
|---|----|

End of Appendix



**Scottish Housing
Regulator**

Kirsten Craig
Secretary
Glasgow Housing Association
Wheatley House
25 Cochrane Street
Glasgow
G1 1HL

7 November 2014

Dear Kirsten,

**Glasgow Housing Association Limited
Complete Amendment to Rules**

Thank you for your formal application for constitutional change and for supplementary supporting information.

I can confirm that the Scottish Housing Regulator grants formal consent for the proposed constitutional changes under Part 8 of the Housing (Scotland) Act 2010.

I can confirm I have forwarded a copy of our consent letter along with the application form and supporting documentation to the Financial Conduct Authority (FCA).

Charitable RSLs should contact the Office of the Scottish Charity Regulator (OSCR) to confirm the constitutional changes are complete. We will forward the relevant paperwork to OSCR for its records when processing amendments from charitable RSLs.

I will write again once we have received the FCA's formal acknowledgement to the amendment.

Yours sincerely,

**Katrina Kelly
Regulation Manager (Acting)
Scottish Housing Regulator**



**Scottish Housing
Regulator**

**SCHEDULE
GLASGOW HOUSING ASSOCIATION LIMITED**

Complete amendment to the Scottish Federation of Housing Associations Charitable
Model Rules (Scotland) 2013



**Scottish Housing
Regulator**

Consent by the Scottish Housing Regulator
Under Paragraphs 92-95 of the Housing
(Scotland) Act 2010

Name Katrina Kelly

Signature

Date 7 November 2014
